

THE OHIO STATE UNIVERSITY
OFFICIAL PROCEEDINGS OF THE
ONE THOUSAND FOUR HUNDRED AND TWENTY-FIFTH MEETING
OF THE BOARD OF TRUSTEES

Columbus, Ohio, November 3, 2006

The Board of Trustees met at its regular monthly meeting on Friday, November 3, 2006, at The Ohio State University Longaberger Alumni House, Columbus, Ohio, pursuant to adjournment.

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Minutes of the last meeting were approved.

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November 3, 2006 meeting, Board of Trustees

The Chairman, Judge Duncan, called the meeting of the Board of Trustees to order on November 3, 2006, at 7:45 a.m. He requested the Secretary to call the roll.

Present: Robert M. Duncan, Chairman, Karen L. Hendricks, Dimon R. McFerson, G. Gil Cloyd, Jo Ann Davidson, John D. Ong, Walden W. O'Dell, Alex Shumate, Brian K. Hicks, John C. Fisher, Robert H. Schottenstein, Alan W. Brass, Thekla R. Shackelford, Yoonhee P. Ha, and Christopher Alvarez-Breckenridge.

Judge Duncan:

I hereby move that the Board recess into Executive Session for the purpose of considering a personnel matter regarding employment and compensation.

Upon motion of Judge Duncan, seconded by Amb. Ong, the Board adopted the foregoing motion by unanimous roll call vote, cast by Trustees Duncan, Hendricks, McFerson, Cloyd, Davidson, Ong, O'Dell, Shumate, Hicks, Fisher, Schottenstein, Brass, and Shackelford.

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Judge Duncan reconvened the meeting at 11:30 am.

Present: Robert M. Duncan, Chairman, Karen L. Hendricks, Dimon R. McFerson, G. Gil Cloyd, Jo Ann Davidson, John D. Ong, Douglas G. Borrer, Leslie H. Wexner, Walden W. O'Dell, Alex Shumate, Brian K. Hicks, John C. Fisher, Robert H. Schottenstein, Alan W. Brass, Thekla R. Shackelford, Yoonhee P. Ha, and Christopher Alvarez-Breckenridge.

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PRESIDENTIAL SEARCH COMMITTEE UPDATE

Mr. Shumate:

On behalf of the members of the Presidential Search Committee, I am very pleased to report that the committee is organized, we identified a search firm, and we are committed and ready to undertake this important task on behalf of this Board. Before talking specifically about the agenda item on the consent agenda, I would like to offer a few general comments about the search.

First, thank you, Mr. Chairman, for appointing a group of outstanding individuals to serve on the Search Committee. The committee's membership reflects both the tremendous scope and the broad diversity that make The Ohio State University such a great institution. While the committee represents many different constituencies, and comes from widely varied backgrounds, we all share one common goal -- continued excellence at Ohio State.

Second, I would be remiss if I did not use this opportunity to thank our current president, Dr. Karen Holbrook, for her leadership of The Ohio State University. And to acknowledge that the timing of her announcement and her continued service to the University allow us to conduct the search in a thoughtful and deliberative manner, one that moves neither too slowly nor too quickly.

Third, Mr. Chairman and members of the Board, the committee is committed to conduct this search process in a manner that invites as much public input and involvement as possible without compromising the confidentiality or privacy of those involved. We commit to proceeding in a manner that balances public interest and personal privacy so that our actions reflect positively on the University in every possible way.

Accordingly, the committee commits to advertising the position widely seeking both applications and nominations. We will establish a web page with information about the position and the search, including a link in which the public can submit nominations and comments electronically. We will publicize a post office box and telephone number where public input and comments may be directed. We will hold open forums, both on campus and off campus, in which the University community, as well as the general public, will have the opportunity to provide input to the Search Committee. We will also, as we are doing this morning, provide reports on the progress of the search at meetings of the University's Board of Trustees until this search has been completed. Our committee welcomes suggestions of additional and alternative avenues for public participation and input.

Finally, Mr. Chairman, on the consent agenda this morning is the recommendation from the Search Committee to ask the Board to ratify the selection of our search firm that has been identified as Heidrick & Struggles. We started our process working with the University for the development and circulation of a request for proposals, a number of search firms inquired, seven firms submitted written responses to our RFP, and a work group of the Search Committee interviewed five of those firms.

As you know, this morning we are unanimously recommending Heidrick & Struggles as the firm we would like to recommend to work with the Search Committee. Heidrick & Struggles clearly demonstrated that it has the depth of experience, the national contacts, and the proven record of success necessary to help identify candidates to lead The Ohio State University. Heidrick & Struggles has maintained a regional office in Ohio for nearly forty years and they understand the unique leadership role that Ohio State plays in this state.

Again my thanks to you, Chairman Duncan, President Holbrook, and the members of the Search Committee for your leadership, support, and service to Ohio State. I am confident that we have the right committee, the right processes in place, and the right search firm necessary to attract the best individual to be the next president of The Ohio State University.

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STUDENT RECOGNITION AWARD

Mr. Alvarez-Breckenridge:

The Student Recognition Award is presented each month by the Board of Trustees to a student in honor of their achievement in his or her area of study, service to the University and/or community, and research achievements that have been a credit to the college and the University.

This month's recipient is Joshua Lotz, who was nominated by Dean Joan Herbers from the College of Biological Sciences. Joshua is a third-year student from Newark, Delaware. He is pursuing a combined B.S./M.A. in Chinese and biochemistry. Today Joshua is accompanied by Dean Joan Herbers and Dana Vredevelde, a coordinator from the Honors Collegium.

Joshua's achievements prior to entering The Ohio State University are numerous and lay the groundwork for many of his future aspirations and accomplishments at Ohio State. After graduating from high school at the age of 16, he spent nearly two years in China and Tibet. After studying in Beijing for a year, he moved to Tibet for six months where he worked to establish a small community school and taught English and Tibetan art classes to local residents.

Following this hiatus between high school and college, Joshua enrolled at The Ohio State University and diligently pursued his studies in the disparate fields of biochemistry and Chinese. The unique educational experiences that he has undertaken is clearly reflected in his undergraduate activities and involvements. Joshua's campus activities range from being the president of the Ohio State Global Health Initiative and vice president of the Biochemistry Club, to a position on the Student Advisory Committee for the Honors Collegium. Joshua has also excelled at transforming his education into an international experience by spending a summer studying Chinese Medicine at the Beijing University and an additional summer as a volunteer managing a rural medical clinic in Tibet.

With such an interdisciplinary academic curriculum and experience, it is not surprising that Joshua's credentials have caught the attention of many. This includes several awards ranging from the Huntington International Fellowship, the "Jun Lu Award" for best undergraduate Chinese, and 2nd place in the "Chinese Bridge" College competition in New York.

While Joshua still has many unique opportunities ahead of him during his undergraduate years, he has certainly excelled in preparing himself for his next round of educational experiences. Joshua plans on attending medical school and pursuing a combined MD/MPH so that he will be able to focus his efforts in the realm of international health. With this background, his vision is to develop sustainable community health programs in resource-poor areas of Tibet. By doing this, he hopes to integrate the multitude of non-biological factors facing the people in this region into a single, comprehensive community health system.

In short, Joshua is making great strides as a scholar, leader, and humanitarian within the field of international medicine and public health. Additionally, he has done a remarkable job of balancing his academic obligations with his numerous co-curricular activities and experiences. He has truly made an indelible mark on the College of Biological Sciences and the University at large.

Joshua, on behalf of the Board of Trustees, I am very pleased to present this award to you today. Your achievements are truly remarkable and you are indeed an outstanding student. Congratulations and best of luck in your future endeavors!

Mr. Joshua R. Lotz:

I would like to thank the Board of Trustees for honoring me with this award. I am honored to be recognized with this. I would like to thank Chris for that wonderful introduction. I hope my remarks can live up to his. I would also like to thank Dean Herbers, from the College of Biological Sciences, for nominating me for this award. I would like to thank several other people who throughout my college career have been very helpful in making this a very meaningful and remarkable experience here at Ohio State. Dana Vredeveland and Rebecca Ward, from the Honors Collegium, have been very helpful the past three years in various aspects. Also, I would like to thank Professor Kay Meyer, associate provost and professor of Sociology, and

Provost Snyder. The people I am thanking today are just a few of the many from a long line of OSU faculty, staff, and community members that have helped to make these past three years very meaningful and a remarkable experience for me.

To be completely honest, before I came here I only knew three things about Ohio State: that it was really big, they did a lot of research, and they had a pretty good football team. As I started my freshman year, I really didn't know what kind of undergraduate educational experience I would have here at Ohio State. I was afraid that at a school this large, I wouldn't have contact with the professors. I wondered that at a school that focused on research, would I really have a chance to have a good intellectually, stimulating undergraduate education? I am happy to report that after three years and one more year to go, that Ohio State has not only met my expectations in this respect and given me a good education, but has exceeded my expectations and given me a great education. I would like to thank everyone at Ohio State who has made this a good educational experience.

During my freshman year, I was part of the International Affairs Scholars Program, a living/learning program. This program lets you live with other first year students who are interested in the same area, in my case international affairs. This was a key part of my introduction to The Ohio State University. At a school this large it is easy to get lost, but it made a small community within the University. I met friends and faculty members who were key players in the future of my education. Later I was admitted into the Honors Program. This allowed me to take upper-level honors classes and pursue an undergraduate thesis, which I am currently working on. I was then admitted into the Honors Collegium Program, which has contributed to my education both with academic and extra curricular activities, and has encouraged me to apply for various scholarships such as the Truman Scholarship.

As Chris mentioned, this year I started pursuing a combined degree program. Originally my undergraduate degree was in biochemistry, but I applied for the combined degree program in which I would receive a Bachelor of Science degree in biochemistry and a Master of Arts degree in Chinese all in four years. After four years at The Ohio State University, next year I will be graduating with an honors degree, bachelor's degree in the sciences, and a master's degree in the arts. I don't know of anywhere else in the world where I could have this kind of education or get that much done and have that good of a program in only four years. I think Ohio State is the only place where you could do that.

As I mentioned, the Honors Collegium has been helpful not only in academic aspects but also in extra curricular aspects. I and several other Honors Collegium students recently started a student organization called the Global Health Initiative. We will have a series of events that introduce students at Ohio State to the various global international health issues. We could not have made that possible without the help of the Honors Collegium and various other faculty members who have been very supportive of us in that endeavor.

I recall listening to President Holbrook's State of the University Address recently and she listed several characteristics of what a great university is. She said, "great universities enhance the undergraduate experience with innovative programs that emphasize contemporary themes, capitalize on the richness of the research environment, recognize student preparedness, and provide off-campus opportunities." I am happy to say that Ohio State has done all of these and more. She also said, "great universities foster

interdisciplinary programs, but they must be built upon already highly regarded disciplinary programs.” I can say that from my point of view, combining a degree in biochemistry and Chinese has made an interdisciplinary program based on two very strong disciplinary programs. The reason I came to Ohio State was because it was strong in both biochemistry and Chinese. The fact that I can combine these into one academic program is just another indicator of how great this University is and how great an education I have received here.

Also in President Holbrook’s speech, she mentioned something that I found very interesting. Please forgive me if I misquote you, you said you had been to many other universities that were good universities but thought they were great universities, but when you came to Ohio State you found a great university that thought it was a good university. Well I am here to tell you from the point of view of a student and undergraduate at Ohio State University, that there is no reason we should still be thinking we are just a good university because Ohio State is definitely a great university. There would be no other place I could imagine myself having this experience and doing my undergraduate education.

There is a saying that no matter where you go in the world, you could be in any corner of the world and if you yell out “OH,” somebody would reply with “IO.” I can actually confirm this experience. I was in Beijing last year walking down the street and from afar I saw what appeared to be a block “O” on somebody’s T-shirt. I yelled out at the top of my lungs among a sea of hundreds of Chinese people, “OH.” Sure enough a couple of seconds later there came the reply of “IO,” and I met another person who was actually in Beijing for the summer who I had not previously known from Ohio State. It is things like that that prove Ohio State is a global University and we are doing great things.

I would like to, once again, thank the Board for this recognition and everybody at Ohio State who has made this a great experience. I want everyone to know I am proud to be a Buckeye or as they say in Chinese..... Thank you.

Judge Duncan:

Congratulations and good luck.

Mr. McFerson:

First of all congratulations, that is truly remarkable. We get this great honor to hear from outstanding students all the time and this is as good as it gets. When and how did that interest in China develop inside of you that would cause you at the tender age of 16 to go over there and live for a year or two?

Mr. Lotz:

From the time I was little, I was always interested in what was going on outside of the United States, outside of my home state of Delaware. I wanted to go out and experience the world. I was given the opportunity to graduate high school early and I thought I could go to Europe and experience something or I could go to someplace challenging where people don’t go and that would test my limits linguistically and culturally. I decided to go to China, because the language and culture were completely different from the U.S. and I could learn a lot from the experience. I chose China more for the challenge than anything else.

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Ms. Shackelford:

I would like to comment that I am from Newark, Ohio, and it is very nice to have someone from Newark, Delaware, show us up.

Mr. Lotz:

Actually, when I tell people that I am from Newark, they say, "I am from Newark, too." And I mean Newark, Delaware.

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PRESIDENT'S REPORT

President Karen A. Holbrook:

Good morning. Before I start, Dimon, let me say what a pleasure it is to have you back at the table and welcome.

We are halfway through a very busy fall quarter with campus activities in full swing. Last weekend's homecoming was a terrific success. Our students are engaged in Tuesday's election in a major way and this past Tuesday our students participated in a very lively discussion at the Glenn School on the pivotal issues that are driving the college age vote. Later this morning, you will hear an updated report from vice provost and dean of Undergraduate Studies Martha Garland on the actual data that can now be used to compare the profile of our most recent incoming class to others over the past ten years. This class is now the strongest academically out of the past twelve years. The data is at your places and you will have a chance to see how good that class is.

Nevertheless, we can't talk about this incredible class without also being saddened with the recent loss of one of its members that has affected the entire University community and I would say even broader. Since the elevator accident that took the life of Andy Polokowski, the efforts of the University have been focused on providing comfort to Andy's family, friends, hallmates, and other students affected by the tragedy, in learning as much as possible about how the accident occurred and ensuring the continued safe operation of all of our elevators, the safety of our students in all areas remains one of our highest priorities. My remarks this morning will focus on our efforts to meet this responsibility.

Safety includes the physical environments in which our students, faculty and staff live and work, as well as physical personal safety and mental emotional well-being to our students to the extent possible that we can monitor and control these factors. We have literally hundreds of Ohio State employees who are responsible for safety on campus and many more for whom safety is at least a component of their jobs. There are obvious areas of concern like the comprehensive fire safety and prevention program, professional police operation, and building safety and security program.

Access to our residence halls is controlled by a student's Buck ID card 24/7 and if the card is lost or stolen it can be deactivated immediately through a 24-hour customer support line. The residence halls also have sophisticated smoke and fire detection systems, fire resistant construction, and professional on-site staff in the event of an emergency.

There are also routine things we often don't think of being primarily safety such as the preparation of food by dieticians for thousands of students in a healthy and sanitary environment, and groundskeepers who keep our

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walkways and campus roadways free of damage and obstructions, and cleared of snow and ice in the winter to prevent accidents.

We also take great care of the health and well-being of our students. Our Student Wellness Center offers wellness assessments and health risk appraisals, self-defense classes, a sexual violence education and support program, programs and counseling staff on violence against women and knowledge about detrimental relationships, and education programs on alcohol, financial management, and sexual health. The Student Health Center is a fully accredited out-patient facility with specialty clinics, a nurse on call, and specialists trained in contagious disease prevention. Our Counseling and Consultation Services offer licensed psychiatrists and psychologists who provide treatment in group and individual settings. In crisis situations, professionals are called in to offer their service in addition to our professionals on site.

Our Student Advocacy Center is a full-time, 24-hour operation that coordinates services for students involved in a crisis such as a death in the family, a serious illness or an apartment fire. Safety features are built in to the equipment in our recreational facilities and while staff members are trained in first-aid, those involved in higher risk activities such as pool lifeguards, climbing wall operators, and personal trainers also receive specialized instruction and certification.

Our information technology group maintains University firewalls to minimize the spread of computer viruses and to protect the security of the Buck ID system.

While we don't have jurisdiction over law enforcement or infrastructure off campus, we do work very closely with the City of Columbus to facilitate students' safety such as ongoing community policing and night patrols with members of both police forces. We are also sharing in the construction cost of a new neighborhood policing center on the north side of East 11th between Summit Avenue and North 4th Street. Construction will begin in early 2007, with completion in 2008. The center will house a sub-station for the Columbus Division of the Police's Fourth Precinct, offices for community crime patrol, an office for the University Police Department, a neighborhood pride center, and community meeting space.

Street lighting in the off-campus areas have been improved, and bushes and trees have been trimmed to prevent hiding places for potential offenders. Code enforcement related to hazardous conditions in housing occurs, we provide a student escort service, and blue light emergency phones are located both on and off-campus.

More recently there has been a major campus-wide effort undertaken to assure that we can respond to a pandemic in the best possible manner. To support personal safety and maintain the community of continuity of operations and our academic programs should such a situation arise. While these precautions have been designed specifically for the Avian Flu situation, they are not just relevant to that situation but they are also in place should any other disaster affect the entire campus occur.

Working effectively to keep a campus of 50,000 students and many faculty and staff as safe as possible is truly a team effort. It takes a sophisticated and an integrated approach, and we do everything we can to reduce the risk whenever possible. We want to assure the University community and the public that these efforts will continue, and will be reviewed continually and diligently to ensure that our safety and security measures are as

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effective as they can possibly be at The Ohio State University. Thank you very much.

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COMMITTEE REPORTS

Judge Duncan:

We will now have the Academic and Student Affairs Committee report. Mr. Borrer --

Mr. Borrer:

In the Academic and Student Affairs Committee, we heard a presentation today about course redesign from Vice Provost Randy Smith and Deputy CIO Susan Metros. As part of a national initiative, Ohio State was one of 30 institutions to be invited to redesign a large introductory course to address such issues as learning outcomes and assessments. The course chosen for redesign was Statistics 135, which is often taken as part of the GED and is offered to over 2,500 students per year. The redesign included identifying clearly defined learning outcomes, reorganizing the course and the modules that students could complete on different paths, and adding a strong technology component. As a result of the redesign, costs were reduced and student learning was improved. The University is being awarded the Sloan Award for their efforts in this project. This process will be applied to other courses in 2008.

Next we heard from Barbara Rich, associate vice president of Student Affairs, and Willie Young, director of Off-Campus Student Services. Barbara updated us on the status of the task force on celebratory disturbances. We have not had a major disturbance in four years. They cite three major initiatives: 1) they have worked with a collaborative approach with students, property managers, city officials, and permanent residents; 2) they have also increased the presence of the Columbus Police Department and the City of Columbus enforcement divisions; and 3) they have numerous projects aimed to educate residents to party smart as well as other programs.

Mr. Young then talked about the presence of ground personnel of the University during these times. Their people work with residents and retailers to prevent issues occurring following major celebrations or events. A recent accomplishment that may seem small is where they worked with United Dairy Farmers to persuade them not to sell domestic beer in bottles at the two stores on campus. This is a major accomplishment. It promotes safety of people and promotes cleanliness, because broken bottles are a problem whereas aluminum cans are picked up and recycled. Little steps are making big changes.

We heard a good report on the extensive preparations for the expected post-Michigan celebration. I do think the University and the City of Columbus are working very well together to see that we have a good outcome following our good outcome.

Finally, Provost Snyder presented to us resolutions for the consent agenda: the establishment of the Department of Urology, approval of non-academic center status, establishment of a Ph.D. degree program in Dance Studies, establishment of a Master of Laws degree, naming of Remembrance Park, and personnel actions, including the promotion of Rich Hollingsworth, from

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interim vice president for Student Affairs to vice president for Student Affairs.

That concludes my report.

Judge Duncan:

Thank you very much. Are there any questions or discussion? If not, I will call upon Mr. McFerson to give reports on the Medical Center Affairs Committee and the Investments Committee meetings.

Mr. McFerson:

Thank you, Mr. Chairman. I will begin with the Medical Center Affairs Committee. We met yesterday in the Huntington Board Room in the Ross Heart Hospital. We had a few matters in open session and then we spent the bulk of our time in Executive Session. The matters in open session were the establishment of the Department of Urology, the amendments to the *Bylaws of the James Board*, and Waivers of Competitive Bidding. All three of which will be on the consent agenda later in this meeting.

In Executive Session, we had a lengthy discussion on the financial plan from John Stone, CFO of the Medical Center, and a healthy discussion on the Medical Center Master Space Plan from Eric Kunz, which we talked about also in the Fiscal Affairs Committee today.

As a Committee, we passed by motion and recommended to the Fiscal Affairs Committee, two items on the consent agenda today, items #16 and #17 -- for the Employment of Executive Architect, Engineers, Programming, Design, Design Oversight, and Construction Management Services, and approval to enter into Feasibility Study, Design and Construction Contracts. We also heard a conceptual discussion on ambulatory care. The beginnings of a strategy in that no action was taken.

In regard to the Investments Committee meeting this morning, we began by hearing a Development Report from Dr. Schroeder. I would indicate that we had 1,000 additional donors in 2006 over 2005; 27,171 individuals, corporations, private foundations and associations of all types have given money of \$1 or more to the University. That is a lot of people. To date, we are 6% above last year's dollars of \$22,850,000. We also had a discussion from Dr. Schroeder on the amendments to the Minimum Endowed Funding Levels. Both of those items -- #12 and #13 -- will be on the consent agenda later in this meeting.

There wasn't enough time to have a report on the monthly endowment. Since that report was as of September 30, we just heard the quarterly endowment report. We would like to report that the endowment is at \$2.69 billion as of September 30, up \$72 million from June 30. This includes \$609 million of the University's long-term cash that is managed per endowment, principles and policies, but that excludes short-term cash that is held at the University-level that is not in the endowment. We did ask, "Is this consistent with other universities that report?" Associate Treasurer Al Rodack said that it is. We have asked him to come back and have more discussion with us on the counting in the endowment totals of University long-term cash; since we are now permitted by state statute of investing along with endowment dollars, rather than just letting it sit and earn short-term interest rates.

We heard a report on the revision of the Endowment Investment Policy. It was discussed at last month's meeting and it is item #14 on the consent agenda today. I would encourage everyone to look at that. It is significantly

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reduced in terms of words by 8 pages, but still accomplished what we wanted to have accomplished without being too overly specific, so that we have enough latitude for the investment people to make the proper decisions. It also includes the distribution of how the assets will be invested by type of category and it is important that this Board carefully understand that.

That concludes my reports.

Judge Duncan:

Thanks very much for doing double duty. Are there any questions or discussion? If not, I will call upon Mrs. Davidson to report on the Fiscal Affairs Committee meeting.

Mrs. Davidson:

Thank you, Mr. Chairman. The Fiscal Affairs Committee had a full agenda this morning. We received an update and briefing on Campus Partners and the status of their leasing. Terry Foegler reported that he is busy working on a five-year business plan that will be brought back to the Board as they make their plans to move ahead.

We had the quarterly fiscal review by Bill Shkurti. He reported that at the end of our fiscal year that ended in June that the University was in a very good financial situation. He also gave us a colored chart that gives a quick review of our financial risks by various areas in the University. Our moderate risks deal with the expansion of the Medical Center and state support, which is always of concern. State revenues were down a little bit in September, and as we move into a new administration at the beginning of the New Year, there is always some uncertainty revolving around state support.

There is a little bit of concern on the research dollars at the federal-level and those dollars are being cut back. We are always concerned about the development and fundraising, particularly as it relates to the Biomedical Research Tower – the dedication is this afternoon -- and the Thompson Library, where we still have some gaps to fill with our private fundraising.

There is a little bit of higher risk on some of our affiliated entities particularly Campus Partners. As you know, if you have looked at that report there are some areas in which the leasing and the occupancy is not at the rate we thought it would be and also about Medical Center Partners which is something that we will be watching throughout the year. I will ask Maureen if she will share this chart with everyone. It is something that you can look at and see over the next 18-24 months where our risks are as far as financial management.

We carried over the in-depth report we were to have this morning on deferred maintenance and infrastructure, and we will have a presentation on that at the December meeting. We simply ran out of time and it was too important to just give it a quick broad brush.

We had the first reading of the request -- that is coming out of the Medical Center -- for \$59 million for fees to hire architects, construction managers and engineers to move ahead with phase one of the Medical Center Facility Master Plan. As Mr. McFerson reported, that was also before the Medical Center Affairs Committee yesterday. That will be carried over until our December meeting for any action. It would cover infrastructure and roadways, The Ohio State University Medical Center clinical expansion, The

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James Cancer Hospital, and mechanical, electrical and plumbing renovation for Rhodes, Doan, James and Cramblett Halls.

We indicated -- and you need to hold us to this -- that before we come back to you in December, that there will be five different areas that we will try to address to be sure that everybody is comfortable in moving ahead. One certainly will be looking at the \$100 million that is necessary in philanthropy and the fundraising that would be behind part of the funding for moving ahead with this project. We need to be sure that we have the appropriate infrastructure and resources to manage the projects, and protect the Medicare exemption for The James, which has some requirements on it. We also need to be sure that we have in place what we are comfortable with as far as circuit breakers -- where you can not take steps to move ahead on portions of this expansion if there are signs that we are not going to be able to meet what is in the financial plan. We also need to meet, as far as success in the operation of the Medical Center, but also in the private fundraising efforts.

We have an additional item that relates to the Medical Center Facility Master Plan on the agenda for approval today. This is to move ahead with the second phase of hiring executive architects, construction managers, and design people. We knew that this was going to be a \$20 million request and had only authorized the first \$10 million. We have not spent all of that \$10 million, but are coming close to it. They have now asked for that second authorization, which we discussed at the time that we authorized the first \$10 million.

We have on the agenda for approval: two new easements for telephone communication equipment and fiber optic lines across some of Ohio State's property; the renewal for a number of easements; and the changes in the policy regarding what comes to the Board dealing with our capital projects -- what are the actions that come to the Board. We are trying to make it flow a little bit more efficiently so those projects that are under \$1 million will come to us one time for approval for the entire project moving into construction. Those projects over \$1 million will continue to come to us first to approve the feasibility study and design, and then come back to the Board before any construction would move forward. We think this will actually make our process a little bit more efficient, keep too many things from coming to the Board, and actually not hold up some of the projects that are being held up because they have to be staged based upon where we are going and some of these are very necessary projects.

The last item on the consent agenda from Fiscal Affairs is to agree to put a cap on our Fiscal Year 2009 bond proposal at \$500 million. This is something important for the bonding agencies as we begin to talk with them. We previously established the limit of \$450 million for the Fiscal Year 2007 bond proposal and this would place the cap of \$500 million for the Fiscal Year 2009. Mr. Chairman, that completes my report.

Judge Duncan:

Thank you. Any questions or discussion?

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CONSENT AGENDA

President Karen A. Holbrook:

We currently have twenty-one resolutions on the Consent Agenda today and we would like to conduct separate votes for numbers 11 and 18. We are seeking your approval for:

CONTRACT TO RETAIN PRESIDENTIAL SEARCH FIRM

Resolution No. 2007-43

Synopsis: Contract to retain a national search consultant to assist the Presidential Search Committee is proposed.

WHEREAS the Board of Trustees has initiated a search process to identify qualified candidates for the Presidency of the University; and

WHEREAS a Search Committee has been appointed and charged with planning and directing all aspects of a comprehensive and expeditious search; and

WHEREAS it is established practice to select a professional search firm to serve as a consultant to the Search Committee and the Board of Trustees, providing advice, expertise and administrative support in the identification, screening and recruiting of the most highly qualified candidates for the Presidency; and

WHEREAS in order to identify professional search firms capable of providing the quality of services deemed desirable by the Search Committee and the Board of Trustees, a Request for Proposals was issued by the Purchasing Department of the University and sent to search consulting firms located in Ohio and throughout the country; and

NOW THEREFORE

BE IT RESOLVED, That based upon the recommendation of the Search Committee, the University will retain the firm of Heidrick & Struggles to consult with the Search Committee and the University to assist in the search for the next President of the University; and

BE IT FURTHER RESOLVED, That the Senior Vice President for Business and Finance be and hereby is authorized to enter into a contract of engagement with the selected national search consulting firm, on terms favorable to the University and consistent with the response to the Request for Proposals; and

BE IT FURTHER RESOLVED, That any actions taken by the Search Committee or the chair in furtherance of this Resolution prior to its effective date are hereby ratified and approved.

AMENDMENTS TO COMMITTEE APPOINTMENTS FOR 2006-2007

Resolution No. 2007-44

BE IT RESOLVED, That the appointments to the Audit Committee for 2006-2007 be amended as follows:

Investments Committee:

Dimon R. McFerson, Chair
Walden W. O'Dell, Vice Chair
Jo Ann Davidson
Robert H. Schottenstein

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John D. Ong
~~Thekla R. Shackelford~~
Ex Officio:
John Gerlach, Jr. (Foundation Board)
David A. Rismiller (Foundation Board)

Audit Committee:

Robert H. Schottenstein, Chair
Robert M. Duncan, Vice Chair
Thekla R. Shackelford

G. GILBERT CLOYD

ALAN W. BRASS

James Gilmour (3/1/05 – 2/29/08)

JAMES B. BACHMANN (11/3/06 – 11/1/09)

Campus Partners Board:

~~Robert M. Duncan~~

BRIAN K. HICKS

ROBERT H. SCHOTTENSTEIN

**AMENDMENTS TO THE BYLAWS OF THE ARTHUR G. JAMES CANCER
HOSPITAL AND RICHARD J. SOLOVE RESEARCH INSTITUTE BOARD**

Resolution No. 2007-45

Synopsis: The amendments to the *Bylaws of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute Board* are recommended for approval.

WHEREAS The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute Board pursuant to bylaw 3335-109-02 of the *James Cancer Hospital Board Bylaws* is authorized to recommend to the Board of Trustees the adoption of amendments to their *Bylaws of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute*; and

WHEREAS the proposed amendments to the *James Board Bylaws* were previously endorsed and ratified by The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute Board on September 26, 2006, as followed:

3335-109-20 Professional affairs committee.

(A) Responsibilities. The professional affairs committee shall be responsible for the following specific duties:

- (1) Overseeing all patient care activity in facilities deemed by the university trustees to be the administrative responsibility of the CHRI including, but not limited to, the hospital, clinics and ambulatory care facilities.
- (2) Monitoring quality assurance performance in accordance with the standards set by the university medical center for all programs identified in paragraph (A)(1) of this rule.
- (3) Receiving reports from the medical staff administrative committee regarding credentialing and recommending action on these reports to the hospitals board.
- (4) Monitoring the achievement of accreditation and licensure requirements.

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- (5) Reviewing and recommending medical staff bylaws changes and changes to medical staff rules and regulations.
- (6) Such other responsibilities as assigned by the chairperson of the board.
- (B) Composition. The committee shall consist of three board members, appointed annually by the chairperson of the board, one of whom shall be appointed as chairperson of the committee; and the chief medical officer of the health system, and the chief of the medical staff.
- (C) Meetings. The professional affairs committee shall meet at the call of the chairperson and shall advise the board of its activities.

~~3335-109-20~~ 3335-109-21 Amendments to the board bylaws.

Balance unchanged.

NOW THEREFORE

BE IT RESOLVED, That the foregoing amendments to the Bylaws of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute Board be adopted as recommended.

ESTABLISHMENT OF THE DEPARTMENT OF UROLOGY

Resolution No. 2007-46

Synopsis: Proposal to change the Division of Urology to a Department of Urology in the College of Medicine.

WHEREAS the creation of the Department of Urology will be an important affirmation of the importance of the science of urology at the University; and the transition to a department from a division will improve the unit's visibility and dramatically increase its ability to attract academic urologists and physician scientists; and

WHEREAS over 75% of the Accreditation Council of Graduate Medical Education-accredited urological sciences training programs are departments; and

WHEREAS the department, when first established, will not have ten faculty members; however, an appropriate academic rationale and plan for development were provided; and

WHEREAS the proposal was reviewed and endorsed by the Faculty Council, the full Council on Academic Affairs, and approved by the University Senate at its October 12, 2006 meeting:

NOW THEREFORE

BE IT RESOLVED, That the proposal to establish the Department of Urology in the College of Medicine, noting that this is an exception to rule 3335-3-34 (C)(1), be hereby approved, effective immediately.

APPROVAL OF NON-ACADEMIC "CENTER" STATUS

Resolution No. 2007-47

Synopsis: Approval of non-academic "center" status is proposed.

WHEREAS faculty rule 3335-3-36 (A) specifies that: "Use of "center" or "institute" in the names of proposed units of the university shall be limited to academic centers, unless approved by the Council on Academic Affairs"; and

WHEREAS requests have been received for the use of this term from the John Glenn School of Public Affairs for the "Battelle Center for Mathematics and Science Education Policy"; and from the College of Medicine for the "Center for Clinical and Translational Research"; and

WHEREAS subsequent use of the term "academic" center will require that a formal proposal for academic center status will need to be submitted to the Council on Academic Affairs for full review; and

WHEREAS the Council on Academic Affairs reviewed these formal requests on August 23, 2006, and October 4, 2006, and had no objections:

NOW THEREFORE

BE IT RESOLVED, That the use of the term "center" for the "Battelle Center for Mathematics and Science Education Policy," and the Center for Clinical and Translational Research" be approved, effective immediately.

ESTABLISHMENT OF A PH.D. DEGREE IN DANCE STUDIES

Resolution No. 2007-48

Synopsis: Approval of the establishment of a Ph.D. degree in Dance Studies is proposed.

WHEREAS this program reflects a growth in dance scholarship, and builds on the foundation provided by the current M.A., M.F.A., and undergraduate curriculum, and also reflects a steady shift in our student interest and faculty research; and

WHEREAS this internationally-known and respected department will offer a program to be among a small set nationally, and will emphasize an awareness of the practice of dance that will include history and theory related to such activity; and

WHEREAS the program will train students in rigorous modes of dance analysis, criticism and documentation, using methodologies unique and inherent to the field; and

WHEREAS the proposal was reviewed and approved by the Council on Research and Graduate Studies, the full Council on Academic Affairs, and was approved by the University Senate at its October 12, 2006 meeting:

NOW THEREFORE

BE IT RESOLVED, That the establishment of a Ph.D. degree in Dance Studies is hereby approved, effective upon the approval of the Ohio Board of Regents.

ESTABLISHMENT OF A MASTER OF LAWS DEGREE

Resolution No. 2007-49

Synopsis: Approval of the establishment of a Master of Laws (LL.M) degree is proposed.

WHEREAS increased globalization means that universities and law schools need to become more international in their mission, as is increasingly seen in their curriculum; and

WHEREAS this will be a one-year professional degree program directed at educating foreign lawyers and graduates of law schools of foreign countries, and will provide them with a basic understanding of the U.S. legal system provided through a rigorous program of study; and

WHEREAS more than one-half of all law schools in the United States, including all others in the Big Ten, offer such a degree program; and

WHEREAS the Moritz College of Law faculty has expertise in international and comparative law and has voted unanimously to offer this program; and

WHEREAS the proposal was reviewed and approved by the Council on Research and Graduate Studies, the full Council on Academic Affairs, and was approved by the University Senate at its October 12, 2006 meeting:

NOW THEREFORE

BE IT RESOLVED, That the establishment of a Master of Laws (LL.M) degree is hereby approved, effective upon the approval of the Ohio Board of Regents.

NAMING OF REMEMBRANCE PARK

Resolution No. 2007-50

Synopsis: The naming of a portion of campus located at the Northwest corner of Tuttle Park Place and Woody Hayes Drive as "Remembrance Park" is proposed.

WHEREAS ROTC, the Department of Athletics, the Franklin County Alumni Club, and Ohio State University Alumni Association wish to honor the men and women of the University who have served their country; and

WHEREAS The Ohio State University wishes to honor all students and alumni who have served their country through their commitment to military service, especially those students and alumni who have given their lives for their country; and

WHEREAS these students and alumni will be memorialized in Remembrance Park on the Wall of Honor with over 1000 Ohio State University alumni who have died in the service and defense of the country while on active duty; and

WHEREAS the President's Cabinet has agreed that the green space located on the Northwest Corner of Woody Hayes and Tuttle Park Place and adjacent to Converse Hall, the Ice Rink and St. John Arena will serve as a green space for the Wall of Honor and the Remembrance Park will be located within this space:

NOW THEREFORE

November 3, 2006 meeting, Board of Trustees

BE IT RESOLVED, That in accordance with paragraph (F) of rule 3335-1-08 of the Administrative Code, the Board of Trustees establishes the above named green space south of Converse Hall as "Remembrance Park."

PERSONNEL ACTIONS

Resolution No. 2007-51

BE IT RESOLVED, That the personnel actions as recorded in the Personnel Budget Records of the University since the September 22, 2006 meeting of the Board, including the following Appointments/Reappointments, Appointments/Reappointment of Chair-persons/Directors, Leaves of Absence Without Salary, Professional Improvement Leave, Emeritus Titles, and Promotion and Tenure, as detailed in the University Budget, be approved.

Appointments

Name: W. C. BENTON, JR.
Title: Professor (The Edwin D. Dodd Professorship in Management)
College: The Max M. Fisher College of Business
Term: October 1, 2006 through September 30, 2011

Name: GREGORY A. CALDEIRA
Title: Distinguished University Professor (The Ann and Darrell Dreher Chair in Political Communication and Policy Thinking)
College: Social and Behavioral Sciences
Term: September 1, 2005 through August 31, 2010

Name: JOHN C. FELLINGHAM
Title: Professor (The H. P. Wolfe Chair in Accounting)
College: The Max M. Fisher College of Business
Term: October 1, 2006 through September 30, 2008

Name: RICHARD A. HOLLINGSWORTH
Title: Vice President for Student Affairs
Office: Student Affairs
Term: November 3, 2006 through December 31, 2007
Present Position: Interim Vice President for Student Affairs

Name: CHIA-HSIANG MENQ
Title: Professor (The Ralph W. Kurtz Chair in Mechanical Engineering)
College: Engineering
Term: October 1, 2006 through June 30, 2011

Name: CHRISTOPH PLASS
Title: Professor (Barbara J. Bonner Chair in Lung Cancer Research)
Center/Hospital: Comprehensive Cancer Center – The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute
Term: November 1, 2006 through June 30, 2010

November 3, 2006 meeting, Board of Trustees

Reappointment

Name: THOMAS L. SPORLEDER
Title: Professor (The Farm Income Enhancement Endowed Chair
in Agricultural Policy, Trade and Marketing)
College: Food, Agricultural, and Environmental Sciences
Term: July 1, 2006 through June 30, 2007

Appointment of Chairpersons/Directors

REBECCA D. JACKSON, Center for Clinical and Translational Research,
effective October 1, 2006 through September 30, 2010

RUSTIN M. MOORE, Veterinary Clinical Sciences, effective November 1, 2006
through October 31, 2010

BRADLEY M. PETERSON, Astronomy, effective November 1, 2006 through
September 30, 2010

KATHRYN D. SULLIVAN, Battelle Center for Mathematics and Science
Education Policy, effective November 1, 2006 through October 31, 2010

YUAN F. ZHENG,* Electrical and Computer Engineering, effective October 1,
2006 through December 31, 2006

*Interim

Reappointment of Chairpersons

WAYNE E. CARLSON, Industrial, Interior, and Visual Communication Design,
effective July 1, 2006 through June 30, 2010

PATRICIA L. STUHR, Art Education, effective July 1, 2006 through June 30,
2010

Reappointment of Men's Head Basketball Coach

THAD M. MATTA, new 9 - year contract. Term of the contract: July 1, 2006
through June 30, 2015

Leaves of Absence Without Salary

IRENE MASING-DELIC, Professor, Department of Slavic and East European
Languages and Literatures, effective Autumn Quarter 2006, Winter Quarter and
Spring Quarter 2007, to accept a Visiting Adjunct Professorship, Department of
Slavic Languages, University of North Carolina at Chapel Hill.

ELIF UYSAL-BIYIKOGLU, Assistant Professor, Department of Electrical and
Computer Engineering, effective Autumn Quarter 2006 and Winter Quarter 2007,
for personal reasons.

Leave of Absence Without Salary—Change in Dates

OLIVER G. MCGEE III, Professor, Department of Civil and Environmental
Engineering and Geodetic Science, change leave from January 3, 2006 through
January 2, 2007, to January 3, 2006 through August 31, 2006.

November 3, 2006 meeting, Board of Trustees

Professional Improvement Leave

DAVE F. FARSON, Associate Professor, Department of Industrial, Welding and Systems Engineering, effective Winter Quarter and Spring Quarter 2007.

Emeritus Titles

MICHAEL S. BEATTIE, Department of Neuroscience, with the title Professor Emeritus, effective November 1, 2006.

JACQUELINE C. BRESNAHAN, Department of Neuroscience, with the title Professor Emeritus, effective November 1, 2006.

THOMAS A. DOWLING, Department of Mathematics, with the title Professor Emeritus, effective April 1, 2007.

LAWRENCE W. LIBBY, Department of Agricultural, Environmental and Development Economics, with the title Professor Emeritus, effective January 1, 2007.

FRED B. THOMAS, Department of Internal Medicine, with the title Professor Emeritus, effective January 1, 2007.

MICHAEL F. BRUGGER, Department of Food, Agricultural and Biological Engineering, with the title Associate Professor Emeritus, effective January 1, 2007.

ROBERT C. KLINE, Department of Animal Sciences, with the title Associate Professor Emeritus, effective January 1, 2007.

MELVON L. ANKENY, University Libraries, with the title Assistant Professor Emeritus, effective November 1, 2006.

Promotion and Tenure

COLLEGE OF FOOD, AGRICULTURAL, AND ENVIRONMENTAL SCIENCES

PROMOTION TO PROFESSOR

Grewal, Parwinder S., Entomology, effective October 1, 2006 (department correction)

James, Randall E., Extension, effective October 1, 2006 (department correction)

COLLEGE OF MEDICINE
REGULAR CLINICAL

PROMOTION TO ASSOCIATE PROFESSOR-CLINICAL

Feldman, David, Internal Medicine, effective November 1, 2006

RESOLUTIONS IN MEMORIAM

Resolution No. 2007-52

Synopsis: Approval of Resolutions in Memoriam is proposed.

RESOLVED, That the Board adopt the following Resolutions in Memoriam and that the President be requested to convey copies to the families of the deceased.

November 3, 2006 meeting, Board of Trustees

Dora E. Colver

The Board of Trustees of The Ohio State University expresses its deep sorrow upon the death on August 8, 2006, of Dora Elizabeth Colver, Assistant Professor Emeritus in the School of Nursing, now the College of Nursing.

Professor Colver received a bachelor degree in institution administration from Pennsylvania State University in 1943 and a master's degree in institution administration from the same university in 1951.

Ms. Colver began her work as an instructor in the School of Nursing and an instructor in the School of Home Economics in 1951. She was promoted to assistant professor with tenure in 1957 and served until her retirement in 1982. In addition, Professor Colver was the University Health Service dietician from 1970-82.

During her tenure at Ohio State, Professor Colver was a member of the American Dietetic Association, Ohio Dietetic Association, American Association of University Professors, Franklin County Home Economics Association, Central Ohio League for Nursing, Sigma Delta Epsilon, Women in Sciences, Metropolitan Club, and The Nutrition Today Society.

Professor Colver was an active member of the University community and served on numerous department, school, and University committees.

On behalf of the University community, the Board of Trustees expresses to the family and friends of Professor Dora E. Colver its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees as an expression of the Board's heartfelt sympathy.

Woodrow W. Hamilton

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on July 28, 2006, of Woodrow W. Hamilton, Assistant Professor Emeritus in the Ohio State University Extension.

Mr. Hamilton was born November 2, 1912, in Alma, West Virginia. In 1941 he received his Bachelor of Science degree in agricultural education from West Virginia University.

Professor Hamilton began his Extension career in Ohio in 1945 as the County Agent-Agriculture in Clermont County. He held this position until his retirement in December 1973.

Woody's contributions in providing Extension educational programs during his career proved that he was a truly dedicated teacher for Extension. He conducted numerous educational programs and workshops for Extension clientele. He was a member of the Ohio County Extension Agents' Association and served as president of this organization. He was awarded the National Distinguished Service Award from the USDA in 1971.

On behalf of the University community, the Board of Trustees expresses to the family of Professor Woodrow W. Hamilton its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

November 3, 2006 meeting, Board of Trustees

William Moore, Jr.

The Board of Trustees of The Ohio State University expresses its sorrow upon the death on September 14, 2006, of William Moore, Jr., Professor Emeritus in the School of Educational Policy and Leadership.

Professor Moore had a varied professional career as an educator. He was a public school teacher and principal in the St. Louis, Missouri, public schools. He was associate dean of Continuing Education at Forest Park Community College in St. Louis and later assumed the position of vice president for Academic Affairs at the University of the District of Columbia. His administrative service culminated with his appointment as president of Seattle Community College in Seattle, Washington.

He joined the faculty in the Department of Educational Policy and Leadership, College of Education, at Ohio State in 1971, specializing in community college administration. During his tenure at OSU, he was named to the position of The William Ray Flesher Professorship in Educational Administration.

He retired from OSU in 1992 so as to become a faculty member in the Department of Educational Administration, College of Education, at the University of Texas. At the time of his demise Professor Moore was the A.M. Aikin Regents Chair in Junior and Community College Education Leadership in the College of Education at the University of Texas, Austin.

The memorial obituary for Professor Moore reads, in part, as follows:

Bill Moore was the consummate educator. His educational career began 54 years ago as a kindergarten teacher, and he has since taught at every level of education—public schools, community college, and university. He had a way of inspiring and challenging students to reach higher and achieve more than they dreamed was possible. He taught his students to read broadly, think openly, to question, to analyze, and to continue to grow both personally and professionally. He was also the author of several important books on community college administration.

[He] was a renaissance man who loved life and lived it well. He could amaze you with his recitation of Shakespeare, impress you with his intellectual curiosity and rigor, inspire you with his teaching, or make you laugh with his spirited interpretation of Dunbar's "In The Morning," or Thayer's "Casey At The Bat." He loved to dance to big band music or could be content with his easy listening jazz. He was usually whistling or singing from his favorite spirituals or songs from the 40s. He was an amateur black and white photographer who could have been mistaken for a professional, and he was putting the finishing touches on his first novel.

Bill would also like to be remembered as a loyal friend. He loved his ... high school class reunions, and kept in touch with many of his classmates from high school and college. He knew how to keep little things little.

On behalf of the University community, the Board of Trustees expresses to the family of Professor William Moore its deepest sympathy and sense of understanding of their loss. It was directed that this resolution be inscribed upon

November 3, 2006 meeting, Board of Trustees

the minutes of the Board of Trustees and that a copy be tendered to his family as an expression of the Board's heartfelt sympathy.

UNIVERSITY DEVELOPMENT REPORT

Resolution No. 2007-53

Synopsis: The report on the receipt of gifts and the summary for September 2006 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from alumni, industry, and various individuals in support of research, instructional activities, and service; and

WHEREAS such gifts are received through The Ohio State University Development Fund and The Ohio State University Foundation; and

WHEREAS this report includes the establishment of the The Ann and Darrell Dreher Chair in Political Communication and Policy Thinking; and

WHEREAS this report includes the establishment of fourteen (14) new named endowed funds and the revision of three (3) endowed funds:

NOW THEREFORE

BE IT RESOLVED, That the acceptance of the report from The Ohio State University Development Fund and The Ohio State University Foundation during the month of September 2006 be approved.

PRIVATE SUPPORT – TOTAL FUND RAISING ACTIVITY

	July – September 2006	July – September 2005	
Gift Receipts		<u>% Change</u>	
Cash, Securities, GIK	\$19,165,658	\$17,710,995	8
Irrevocable Trusts & Anties	\$214,325**	\$666,524	(68)
Gifts from Bequests	<u>\$3,470,046</u>	<u>\$3,272,702</u>	6
Total Gift Receipts	\$22,850,028	\$21,650,221	6
Net Pledges Acquired	\$8,204,708	\$13,334,891	(38)
Net Revocable Planned Gifts Acquired			
Bequest Expectancies	\$1,974,000	\$14,396,900	(86)
Trust Expectancies	<u>\$10,025,000</u>	<u>\$6,730,737</u>	49
Total Net Planned Gifts	<u>\$11,999,000</u>	<u>\$21,127,637</u>	(43)
Total	\$43,053,736	\$56,112,750	(23)

** Per national reporting standards, irrevocable trusts are counted at present value.

November 3, 2006 meeting, Board of Trustees

TOTAL UNIVERSITY PRIVATE SUPPORT
July through September
2006 Compared to 2005
GIFT RECEIPTS BY DONOR TYPE

	<u>Donors</u>			<u>Dollars</u>		
	<u>2006</u>	<u>2005</u>	<u>%Change</u>	<u>2006</u>	<u>2005</u>	<u>Change</u>
Individuals:						
Alumni (Current Giving)	14,331	13,352	7	\$3,635,807	\$4,060,285	(10)
Alumni (Irrevocable Trusts & Annuities)	6	6	0	186,102*	80,922	130
Alumni (From Bequests)	<u>17</u>	<u>12</u>	42	<u>2,103,978</u>	<u>1,107,903</u>	90
Alumni Total	14,354	13,370	7	\$5,925,887	\$5,249,110	13
Non-Alumni (Current Giving)	11,353	11,089	2	\$3,353,124	\$3,224,503	4
Non-Alumni (Irrevocable Trusts & Annuities)	1	2	(50)	28,223**	585,602	(95)
Non-Alumni (From Beqts)	<u>11</u>	<u>12</u>	(8)	<u>1,366,068</u>	<u>2,164,800</u>	(37)
Non-Alumni Total	11,365	11,103	2	\$4,747,415	\$5,974,904	(21)
Individual Total	25,719	24,473	5	\$10,673,302	\$11,224,014	(5)
Corporations/Corp/Foundations	916	1,008	(9)	\$6,791,643	\$6,182,672	10
Private Foundations	151	155	(3)	\$4,595,697	\$2,968,494	55
Associations & Other Organizations	<u>385</u>	<u>379</u>	2	<u>\$789,386</u>	<u>\$1,275,042</u>	(38)
Grand Total	27,171	26,015	4	\$22,850,028	\$21,650,221	6

*Per national reporting standards, alumni counts now include alumni spouse donors.

**Per national reporting standards, irrevocable trustees are counted at present value.

GIFT RECEIPTS BY PURPOSE

Dollars

July through September

2006

2005

	<u>Current Use</u>	<u>Endowment</u>	<u>Total</u>	<u>Current Use</u>	<u>Endowment</u>	<u>Total</u>	<u>%Change</u>
FACULTY SUPPORT	324,521	321,506	646,026	664,486	931,961	1,596,447	(60)
SCHOLARSHIPS	1,423,150	1,708,492	3,131,642	1,220,591	3,268,949	4,489,540	(30)
RESEARCH	1,011,678	380,777	1,392,455	882,252	190,586	1,072,838	30
PROGRAM SUPPORT	7,346,683	502,208	7,848,890	6,182,185	399,171	6,581,356	19
BUILDINGS & EQUIPMENT	3,339,889	61,186	3,401,075	4,960,889	82,442	5,043,330	(33)
UNRESTRICTED – UNIVERSITY	119,141	---	119,141	85,800	---	85,800	39
UNRESTRICTED – COLLEGES	6,011,797	73,350	6,085,148	1,754,377	360,000	2,114,377	188

Total

\$19,576,859

\$3,047,518

\$22,624,377*

\$15,750,579

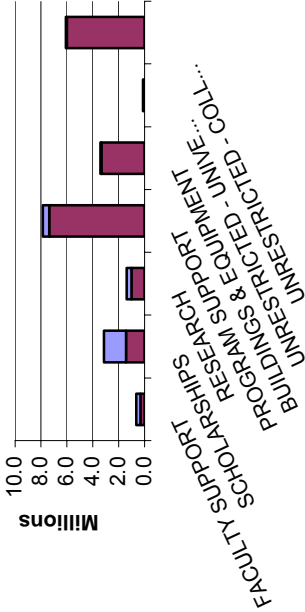
\$5,233,108

\$20,983,687

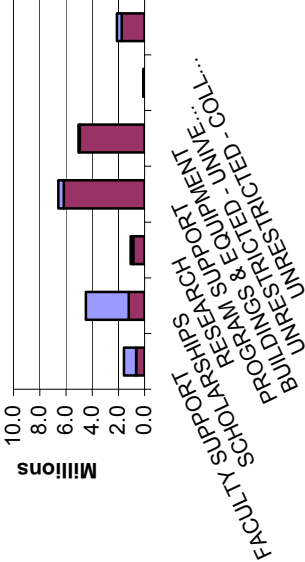
8

*Purpose Report Total does not include Irrevocable Deferred gifts, so the total will be lower than the total on the Donor Type Report.

■ Current Use FY06 ■ Endowment FY06



■ Current Use FY05 ■ Endowment FY05



November 3, 2006 meeting, Board of Trustees

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

Change in Description of Named Endowed Funds

The Alice Mary Arps Foundation Fund
The Robert R. Wieland Scholarship Fund

Change in Name and Description of Named Endowed Funds

From: The Doris Eckfeld Elliot Scholarship Fund in the College
of Human Ecology
To: The Doris Eckfeld Elliot Scholarship Fund in the College
of Education and Human Ecology

THE OHIO STATE UNIVERSITY FOUNDATION

Total
Gifts

Establishment of Named Endowed Chair

The Ann and Darrell Dreher Chair in Political Communication and Policy Thinking \$1,861,637.00
(Used to support the activities and salary of the holder of The Anne and Darrell Dreher Chair in Political Communication and Policy Thinking; provided by gifts from Ann and Darrell Dreher)

Establishment of Named Endowed Funds

The Joe R. and Elizabeth Engle Scholarship Fund \$1,005,277.50
(Used to provide multiple scholarships for first-year undergraduate students with the highest academic ability and the highest financial need who are enrolled at the Columbus main campus; provided by gifts from Joe R. Engle and Elizabeth Engle)

The Earl S. Simmonds Jr. and Florence G. Simmonds Undergraduate Leadership and Merit Endowment Fund \$156,238.00
(Used to provide tuition support to undergraduate students exhibiting financial need, especially those participating in the University's Work-Study Program; provided by gifts from the estate of Earl S. Simmonds, Jr. and Florence G. Simmonds in honor of Professor Joel Coffey)

The William Case Kramer Endowed Fund in the Department of Theatre \$155,786.90
(Used at the discretion of the chairperson of the Department of Theatre; provided by unrestricted gifts from the estate of Dr. William Case Kramer)

The H. Fred Krimendahl II Endowed Presidential Scholarship Fund \$60,000.00
(Used to provide a presidential scholarship; provided by gifts from the H. Frederick Krimendahl II Foundation and West End Road Fund at New York Community Trust at the discretion of H. Frederick Krimendahl II)

The Mildred and Harold Hart 4-H Endowment Fund \$50,000.00
(Used for Ohio 4-H Programming; provided by a gift from the estates of Mildred and Harold Hart)

November 3, 2006 meeting, Board of Trustees

Jack Nicklaus/The Toro Company Turfgrass Legacy Endowment Fund (Used to provide scholarships to freshmen or sophomores or international internships for students in the Turfgrass Management Program, Department of Horticulture and Crop Science, who has relatives involved in the profession of turfgrass management; provided by gifts from The Toro Company)	\$40,000.00
The Michael W. Curran Research Fund (Used to support prostate cancer research at the Comprehensive Cancer Center – The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute; provided by gifts from Dr. Ann Salimbene, her family, friends, and associates in memory of her husband Dr. Michael W. Curran)	\$27,995.49
The John T. and Betty J. Baird Vice President's Excellence Fund (Used to support programs identified by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences as current and critical priorities in the College of Food, Agricultural, and Environmental Sciences; provided by gifts from John T. Baird and Betty J. Baird)	\$25,949.00
Robert S. Davis and Martha M. Garland Scholarship Fund (Used to support a scholarship for a deserving architecture student; provided by gifts from Robert S. Davis and Martha M. Garland)	\$25,250.00
George O. and Martha Poole Davis Endowment Fund (Used at the discretion of the dean of the College of Medicine; provided by unrestricted gifts from the estate of M. Nancy Davis in memory of her mother and father)	\$25,000.00
Charles W. Hinson Scholarship Fund (Used to provide a scholarship for an undergraduate architecture student who has financial need, strong academic performance, and a talent for interior and commercial design; provided by gifts from friends, colleagues, and family in memory of Charles W. Hinson)	\$25,000.00
The Alan and Carol Oatey Athletic Scholarship Fund (Used to supplement the grant-in-aid scholarship costs of a student athlete who is a member of a varsity team; provided by gifts from Carol and Alan Oatey)	\$25,000.00
The Franklin M. Rizer II M.D. M.B.A. Otolaryngology Education Fund (Used to support education programs and advancement of medical knowledge towards early detection, diagnosis, prevention, and cure of otology related disorders, particularly in children; provided by gifts from Milisa K. Rizer, M.D. in memory of her brother, Franklin M. Rizer)	\$25,000.00
Pierre Zoelly Travel Scholarship Fund (Used to support a scholarship for a student in the Knowlton School of Architecture participating in one of the school's travel programs; provided by gifts from Barbara Josephine Zoelly, Bill Riat, Sheila Riat and friends in memory of Pierre Zoelly)	<u>\$25,000.00</u>
Total	\$3,533,133.89

THE OHIO STATE UNIVERSITY DEVELOPMENT FUND

Change in Description of Named Endowed Funds

The Alice Mary Arps Foundation Fund

The Alice Mary Arps Foundation Fund was established October 28, 1933, by the Board of Trustees of The Ohio State University with gifts from various individuals. The description was revised November 3, 2006.

Alice Mary Arps was the wife of George Arps, dean of the College of Education from 1921-37. She was a member of the Board of Education of the Columbus Public Schools and had a lifelong commitment to the education of children.

The annual distribution from this fund shall be used to purchase children's literature, juvenile periodicals, books pertaining to the welfare of children, or any related multi-media materials. Decisions regarding expenditures shall be made by the dean of the College of Education and Human Ecology or their designee.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees as recommended by the dean of the College of Education and Human Ecology. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

The Robert R. Wieland Scholarship Fund

The Robert R. Wieland Scholarship Fund was established April 7, 1995, by the Board of Trustees of The Ohio State University with gifts to honor the memory of Robert R. Wieland (B.A., 1958; J.D., 1960) from family, friends, and colleagues. The description was revised November 3, 2006.

The annual distribution from this fund shall be used to provide a scholarship to a second-year law student who exhibits promise of academic achievement and evidence of financial need. Scholarship recipients shall be selected by the dean of The Michael E. Moritz College of Law, or his/her designee, in consultation with the Office of Student Financial Aid.

In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees as recommended by the dean of the Moritz College of Law in consultation with the Office of Student Financial Aid. Any such

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alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Change in Name and Description of Named Endowed Fund

The Doris Eckfeld Elliot Scholarship Fund in the College of Education and Human Ecology

The Doris Eckfeld Elliot Scholarship Fund in the College of Human Ecology was established February 4, 1993, by the Board of Trustees of The Ohio State University with gifts in memory of Doris Eckfeld Elliot (Fulton) (B.S.H.E., 1935; M.S., 1938) from her children. The name and description were revised November 3, 2006.

The annual distribution from this fund shall be used to provide a graduate or undergraduate scholarship (tuition and fees) with first priority given to a single parent who has custody of a dependent minor child(ren) and demonstrates financial need. If no applicant meets these criteria, the scholarship should be awarded to a non-traditional graduate or undergraduate student on the basis of financial need, merit, and a commitment to a career in human ecology. Scholarship recipients will be selected by the dean of the College of Education and Human Ecology in consultation with the Office of Student Financial Aid.

In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees as recommended by the dean of the College of Education and Human Ecology. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

THE OHIO STATE UNIVERSITY FOUNDATION

Establishment of Named Endowed Chair

The Ann and Darrell Dreher Chair in Political Communication and Policy Thinking

The Ann and Darrell Dreher Chair Fund in Political Communication and Policy Thinking within the Department of Political Science was established March 5, 1999, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with donations made by Ann (attended 1969) and Darrell (B.A., 1966) Dreher of Powell, Ohio. The minimum funding level was reached December 31, 2002, and the chair was established November 3, 2006. The Dreheres reserve the right to make additional contributions to further augment activities in this area.

The annual distribution from this fund shall be used to support the activities and salary of the person who will be the holder of The Ann and Darrell Dreher Chair in Political Communication and Policy Thinking.

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The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the dean of the College of Social and Behavioral Sciences and chairperson of the Department of Political Science in consultation with Ann and Darrell Dreher or, after their lifetime, with their heirs. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$1,861,637.00

Establishment of Named Endowed Funds

The Joe R. and Elizabeth Engle Scholarship Fund

The Joe R. and Elizabeth Engle Scholarship Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Joe R. Engle (B.I.E., 1943) and Elizabeth Engle of New York City, New York.

The annual distribution from this fund shall provide multiple scholarships for incoming first-year undergraduate students with the highest academic ability (a combination of high school rank and national standardized test scores) and the highest financial need who are enrolled at the Columbus main campus of The Ohio State University. The recipients of this scholarship must have graduated from one of the following high schools in Coshocton County: Coshocton High School (Coshocton, Ohio), River View High School (Warsaw, Ohio), or Ridgewood High School (West Lafayette, Ohio). It is the donors' desire that the scholarships be awarded with first preference to students who are first generation college students.

The annual distribution is to be used to provide full scholarships to be used towards the cost of tuition, room and board, books, an educational stipend, and miscellaneous educational expenses above the recipient's federal, state, and additional grant and financial aid awards. In addition, the recipient must complete a nationally approved needs analysis document annually, such as the Free Application for Federal Student Aid (FAFSA), and must apply in time to be eligible for any federal or state aid for which they are eligible before being considered for an Engle Scholarship.

The scholarship shall be distributed equally over the three quarters of the academic school year. The scholarship is renewable up to twelve quarters (or eight semesters should the University ever change its system) or until completion of a baccalaureate degree, whichever comes first, as long as the recipient maintains financial need and a minimum of a 2.5 grade point average. It is the donors' desire that the student must be enrolled on a full-time basis (considered by the University to be a minimum of 12 quarter hours per term) to receive the full scholarship. During the final quarter (or semester), if the student is not enrolled full-time, the amount of award shall be scaled down to reflect the lower costs.

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One-fourth of one percent of the annual income, as well as any unused distribution, should be reinvested to the endowment principal. This scholarship fund will be administered by the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the Office of Student Financial Aid. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$1,005,277.50

Total Commitment: \$10,000,000.00

The Earl S. Simmonds Jr. and Florence G. Simmonds
Undergraduate Leadership and Merit Endowment Fund

The Earl S. Simmonds Jr. and Florence G. Simmonds Undergraduate Leadership and Merit Endowment Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the estate of Earl S. Simmonds Jr. (B.S., 1961) and Florence G. Simmonds (B.S., 1940) in honor of Professor Joel Coffey.

The annual distribution from this fund shall be used to provide tuition support to undergraduate students exhibiting financial need, especially those participating in the University's Work-Study Program. Preference shall be given to (but not limited to) students who are enrolled in the Department of Animal Sciences who have a minimum grade point average of 3.0 and a strong desire to succeed in college. Scholarship recipients will be selected by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences in consultation with the Office of Student Financial Aid.

The annual distribution may also be used to support undergraduate leadership programs or activities that enhance the skills of the College's student leaders as approved by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences. Any such alternate

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distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$156,238.00

The William Case Kramer Endowed Fund in the Department of Theatre

The William Case Kramer Endowed Fund in the Department of Theatre was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with unrestricted gifts from the estate of Dr. William Case Kramer (Ph.D., 1974).

The annual distribution from this fund shall be used at the discretion of the chairperson of the Department of Theatre in consultation with the dean of the College of the Arts.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the chairperson of the Department of Theatre in consultation with the dean of the College of the Arts. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Endowment: \$155,786.90

The H. Fred Krimendahl II Endowed Presidential Scholarship Fund

The H. Fred Krimendahl II Endowed Presidential Scholarship Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from the H. Frederick Krimendahl II Foundation and West End Road Fund at New York Community Trust at the discretion of H. Frederick Krimendahl II (B.A., 1950) of New York City, New York.

In keeping with the provisions of the original endowed fund, the annual distribution from this fund shall be used to provide a presidential scholarship. Each recipient will be selected through the University's presidential scholarship competition and will continue through the senior year so long as he or she maintains eligibility as a presidential scholar. When a recipient graduates, a new first-year student will be named.

This scholarship fund shall be administered by the Office of Student Financial Aid in consultation with the University Honors and Scholars Center.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

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It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the Office of Student Financial Aid. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$60,000.00

Total Commitment: \$300,000.00

The Mildred and Harold Hart 4-H Endowment Fund

The Mildred and Harold Hart 4-H Endowment Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with a gift from the estates of Mildred and Harold Hart.

The annual distribution from this fund shall be used for Ohio 4-H Programming. This support may include, but is not limited to, 4-H programs which promote livestock judging, evaluation, instruction, and related activities. All expenditures from this fund shall be approved by the assistant director of 4-H Youth Development in consultation with the representative from the Department of Animal Sciences overseeing the 4-H animal science program.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director for Ohio State University Extension in consultation with the State 4-H Leader and the Ohio 4-H Foundation Board. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$50,000.00

Jack Nicklaus/The Toro Company Turfgrass Legacy Endowment Fund

The Jack Nicklaus/The Toro Company Turfgrass Legacy Endowment Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from The Toro Company.

The annual distribution from this fund shall be used to provide scholarships to freshmen or sophomores or international internships for students in the Turfgrass Management Program, Department of Horticulture and Crop Science, who have relatives involved in the profession of turfgrass management. Recipients will be selected by a committee comprised of individuals from the Nicklaus Companies, The Toro Company, the OSU turfgrass faculty, and College of Food, Agricultural, and Environmental Sciences representatives. Scholarships will be awarded in consultation with the Office of Student Financial Aid.

In any given year that the endowment distribution is not fully expended, the unused portion should be reinvested in the endowment principal.

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The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Endowment: \$40,000.00

Total Commitment: \$100,000.00

The Michael W. Curran Research Fund

The Michael W. Curran Research Fund at the Comprehensive Cancer Center – The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Dr. Ann Salimbene (B.A., 1973; M.A., 1976), her family, friends, and associates in memory of her husband, Dr. Michael W. Curran of Columbus, Ohio.

The annual distribution from this fund shall be used to support prostate cancer research at the Comprehensive Cancer Center – The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute at The Ohio State University under the direction of the head of prostate and genitourinary oncology in the Division of Hematology and Oncology, or their successor as approved by the senior executive director of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute and the director of the Comprehensive Cancer Center in consultation with the senior vice president for Health Sciences.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the senior executive director of The Arthur G. James Cancer Hospital and Richard J. Solove Research Institute and the director of the Comprehensive Cancer Center in consultation with the senior vice president for Health Sciences. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$27,995.49

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The John T. and Betty J. Baird Vice President's Excellence Fund

The John T. and Betty J. Baird Vice President's Excellence Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from John T. Baird (B.S., 1958) and Betty J. Baird of Springfield, Ohio.

The annual distribution from this fund shall be used to support programs identified by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences as current and critical priorities in the College of Food, Agricultural, and Environmental Sciences. Uses of the fund shall include, but are not limited to the support of: positive, creative work environment for students, faculty, and staff; "outreach" to our external audiences; encouragement and promotion of student organizations; scholarships; professional development; college promotion and advancement; and other emerging college priorities. Expenditures shall be directed and approved by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences. Scholarships will be awarded in consultation with the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the vice president for Agricultural Administration and University Outreach, and executive dean for Food, Agricultural, and Environmental Sciences. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$25,949.00

Robert S. Davis and Martha M. Garland Scholarship Fund

The Robert S. Davis and Martha M. Garland Scholarship Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Robert S. Davis (B.Arch., 1964) and Martha M. Garland (Ph.D., 1975).

The annual distribution from this fund shall be used to support a scholarship for a deserving architecture student. Scholarship recipients will be selected by the Architecture section head and the director of the Austin E. Knowlton School of Architecture in consultation with the architecture faculty and the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

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It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director of the Knowlton School of Architecture in consultation with the section head of Architecture. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$25,250.00

George O. and Martha Poole Davis Endowment Fund

The George O. and Martha Poole Davis Endowment Fund at the College of Medicine was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with unrestricted gifts from the estate of M. Nancy Davis (B.C.E., 1942) given in memory of Ms. Davis' mother and father.

The annual distribution from this fund shall be used at the discretion of the dean of the College of Medicine.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the dean of the College of Medicine. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Endowment: \$25,000.00

Charles W. Hinson Scholarship Fund

The Charles W. Hinson Scholarship Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from friends, colleagues, and family in memory of Charles W. Hinson.

Mr. Hinson was an accomplished leader in retail design noted for his imaginative concepts, attention to design detail, and ability to turn ideas into exciting commercial environments. During his more than 30 years with Limited Brands, over 5,000 stores were built and/or remodeled across the nation. His division, Limited Store Planning, Inc., has been honored by the International Council of Shopping Centers, the National Association of Display Industries, and the publications *Design and Display Ideas*, *Women's Wear Daily*, and *Visual Merchandising and Store Design Magazine*.

The annual distribution from this fund shall be used to support a scholarship for an undergraduate architecture student who has financial need, strong academic performance, and a talent for interior and commercial design. Scholarship recipients will be selected by the Architecture section head and the director of the

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Austin E. Knowlton School of Architecture in consultation with the architecture faculty and the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director of the Knowlton School of Architecture in consultation with the section head of Architecture. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$25,000.00

The Alan and Carol Oatey Athletic Scholarship Fund

The Alan and Carol Oatey Athletic Scholarship Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Carol and Alan Oatey (B.S., 1947), Cleveland, Ohio.

The annual distribution from this fund shall be used to supplement the grant-in-aid scholarship costs of a student athlete who is a member of a varsity team pursuing an undergraduate degree at The Ohio State University. Recipients shall be selected by the director of Athletics in consultation with the University Committee on Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director of Athletics. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$25,000.00

The Franklin M. Rizer II M.D. M.B.A. Otolaryngology Education Fund

The Franklin M. Rizer II M.D. M.B.A. Otolaryngology Education Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation with gifts from Milisa K. Rizer M.D. (B.S., 1976) of Columbus, Ohio, in memory of her brother, Franklin M. Rizer (B.S., 1975).

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The annual distribution from this fund shall be used to support education programs and advancement of medical knowledge towards early detection, diagnosis, prevention, and cure of otology-related disorders, particularly in children. Funds may be used for publications, conferences, lectureships, community outreach, and other educational activities with preference given to primary care physicians and healthcare workers, such as pediatricians, family physicians, general internists, audiologists, and nurse practitioners. When appropriate and in consultation with the chairperson of the Department of Family Medicine, the educational opportunities should include training of residents and faculty in the Department of Family Medicine at The Ohio State University. Allocation of funds shall be approved by the chairperson of the Department of Otolaryngology and with the senior vice president for Health Sciences and the dean in the College of Medicine.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

It is the desire of the donor that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the chairperson of the Department of Otolaryngology and in consultation with the senior vice president for Health Sciences and the dean of the College of Medicine. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donor as good conscience and need dictate.

Amount Establishing Endowment: \$25,000.00

Pierre Zoelly Travel Scholarship Fund

The Pierre Zoelly Travel Scholarship Fund was established November 3, 2006, by the Board of Trustees of The Ohio State University in accordance with the guidelines approved by the Board of Directors of The Ohio State University Foundation, with gifts from Barbara Josephine Zoelly, Bill Riat (B.S., 1973), Sheila Riat, and friends in memory of Pierre Zoelly.

Pierre, a Swiss architect, was probably the first Ohio State faculty member to think of the modern movement in terms of an entirely new approach to architectural education. His ideas and his personality brought a new dimension to the program, challenging many faculty members to think of architecture in ways different from that to which they were accustomed.

The annual distribution from this fund shall be used to support a scholarship for a student in the Austin E. Knowlton School of Architecture participating in one of the school's travel programs. Scholarship recipients will be selected by the Architecture section head and the director of the Knowlton School of Architecture in consultation with the architecture faculty and the Office of Student Financial Aid.

The investment and management of and expenditures from all endowment funds shall be in accordance with University policies and procedures as approved by the Board of Trustees. As authorized by the Board of Trustees, a fee may be assessed against the endowment portfolio for the University's costs of development and fund management.

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It is the desire of the donors that this fund should benefit the University in perpetuity. If, in the future, the need for this fund should cease to exist or so diminish as to provide unused distributions, then another use shall be designated by the Board of Trustees and Foundation Board as recommended by the director of the Knowlton School of Architecture in consultation with the section head of Architecture. Any such alternate distributions shall be made in a manner as nearly aligned with the original intent of the donors as good conscience and need dictate.

Amount Establishing Endowment: \$25,000.00

AMENDMENTS TO MINIMUM ENDOWED FUNDING LEVELS

Resolution No. 2007-54

Synopsis: Amendments to minimum endowed funding levels are proposed.

WHEREAS the minimum levels for University endowments and the Department of Athletics endowments have remained unchanged since June 30, 2001; and

WHEREAS the Programs of Excellence and Team Championship endowments are new and the minimum levels need to be established; and

WHEREAS beginning January 1, 2007, the Office of University Development can market University-wide merit-based fellowships, awards, and assistance for graduate students; and

WHEREAS The Ohio State University intends to conduct a new comprehensive capital campaign in the near future; and

WHEREAS the proposed new minimum levels have been endorsed by the President's Cabinet:

NOW THEREFORE

BE IT RESOLVED, The Ohio State University Board of Trustees hereby sets the following new minimum levels for these specific endowed funds, effective July 1, 2006:

Merit Scholarships:

Endowed Presidential Scholarship	\$750,000
Endowed Medalist Scholarship	\$375,000
Endowed Maximus Scholarship	\$125,000

Morrill Scholarships:

Endowed Distinction Scholarship	\$750,000
Endowed Prestige Scholarship	\$425,000
Endowed Excellence Scholarship	\$375,000

Access Scholarships:

Endowed Land Grant Opportunity Scholarship	\$500,000
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Student-Athlete Scholarships

Endowed Scholarship	\$150,000
Endowed Tuition Scholarship	\$300,000
Endowed Full Scholarship	\$500,000

Program of Excellence Endowment	\$100,000
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Team Championship Endowment	\$100,000
Coaching and Staff Position Endowments	
Olympic Sports	\$500,000
Athletic Director	\$5,000,000
Head Football Coach	\$10,000,000

BE IT FURTHER RESOLVED, That The Ohio State University Board of Trustees hereby sets the following new minimum levels for these specific endowed funds, effective January 1, 2007:

Endowed Graduate Fellowship	\$1,000,000
Endowed Graduate Award	\$500,000
Designated Graduate Student Sponsorship	\$120,000
Graduate Student Assistance Fund	\$50,000 minimum

REVISION OF THE ENDOWMENT INVESTMENT POLICY

Resolution No. 2007-55

Synopsis: Revision of the University's Endowment Investment Policy is proposed.

WHEREAS the Board of Trustees, from time to time, has adopted specific policies governing various aspects of the management of the investment portfolios; and

WHEREAS there is a need for comprehensive policies to provide for the overall management of the investment portfolios; and

WHEREAS there is need to modify the comprehensive policies on occasion:

NOW THEREFORE

BE IT RESOLVED, That the following Endowment Investment Policy for The Ohio State University be adopted by the Board of Trustees; and

BE IT FURTHER RESOLVED, That the Treasurer and/or Senior Vice President for Business and Finance be, and hereby are, directed and authorized to implement and administer this policy and to manage the Endowment Investment Portfolio in accordance with this Policy.

(See Appendix XVIII for background information, page 505.)

WAIVERS OF COMPETITIVE BIDDING REQUIREMENTS

Resolution No. 2007-56

July - September 2006

Synopsis: Acceptance of the quarterly report on waivers of competitive bidding requirements is proposed.

WHEREAS the Purchasing Policy of The Ohio State University adopted by the Board of Trustees on September 7, 1984, and revised on February 7, 1992, July 8, 1994, November 7, 1997, and March 1, 2002 provides that the President and/or the Senior Vice President for Business and Finance, or for the Hospitals of the University and their related facilities, the Vice President for Health Services, may grant a waiver

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from competitive bidding in the event of an emergency, when a sufficient economic reason exists or when the goods or services can be purchased from only a single source, with a report on such waivers to be made quarterly to this Board; and

WHEREAS the Senior Vice President for Business and Finance has submitted a report on waivers of competitive bidding requirements granted for the period of July – September; and

WHEREAS during the period covered, the Senior Vice President for Business and Finance, at the requests of the departments making the purchases and upon the recommendation of the Purchasing Department, granted 108 waivers of competitive bidding requirements for annual purchases totaling approximately \$21,840,787 as shown on the enclosed exhibit; and

WHEREAS during the period covered, the Vice President for Health Services, at the requests of the Hospitals of the University and their related facilities making purchases, granted 64 waivers of competitive bidding requirements for annual purchases totaling approximately \$27,317,870 as shown on the enclosed exhibit:

NOW THEREFORE

BE IT RESOLVED, That the report on waivers of competitive bidding requirements for the period of July – September 2006 is hereby accepted.

(See Appendix XIX for background information, page 511.)

**EMPLOYMENT OF EXECUTIVE ARCHITECT, ENGINEERS, PROGRAMMING,
DESIGN, DESIGN OVERSIGHT, AND CONSTRUCTION
MANAGEMENT SERVICES**

Resolution No. 2007-57

**MEDICAL CENTER FACILITY MASTER PLAN –
CLINICAL EXPANSION PROJECTS**

Synopsis: Authorization to contract for executive architect, engineering, programming, design, design oversight and construction management services for the Medical Center Facility Master Plan – Clinical Expansion is requested.

WHEREAS the Medical Center Facility Master Plan is a strategic initiative that will create a unique physical and intellectual environment that will enable the Medical Center to expand its services in meeting its research, clinical and education missions to achieve parity with top-quality academic medical centers nationwide; and

WHEREAS the Facility Master Plan proposes master plan projects envisioned to consist of the South Cannon Garage replacement, other parking facilities, Ross Heart Hospital Expansion, Digestive Health/North Doan Faculty Office Tower, MRI relocation, Diagnostic and Therapeutic Building, in-patient towers, ambulatory services, and various demolition, and renovation projects, site and civic infrastructure and faculty office projects, with an estimated project cost of \$780 million, with funding to be provided through University bond proceeds, with debt service to be paid by the Medical Center; and

WHEREAS to pursue this plan, the University desires to enter into contracts for programming, schematic design, design oversight, phasing, cost projections, scheduling and planning for further development of the clinical program, and the total costs is expected to be up to \$20 million, with funding to be provided

November 3, 2006 meeting, Board of Trustees

through University bond proceeds, with debt service to be paid by the Medical Center; and

WHEREAS the University desires to select schematic design, design oversight programming, and construction management professionals now to provide all of these services at a level not to exceed \$20 million; and

WHEREAS the University will work to finalize the business, parking, and infrastructure plans for these Clinical Expansion projects before seeking Board of Trustees authorization to enter into individual project design and/or construction contracts that require additional infrastructure support; and

WHEREAS at its June 2, 2006 meeting, the Board of Trustees authorized the University to begin the selection process for these professional services up to \$10 million, and that this amount has been utilized in planning to date:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to select qualified executive architectural, engineering, programming, design, design oversight, and construction management firms as necessary for these Medical Center Facility Master Plan – Clinical Expansion projects, provided that no more than approximately \$225 million in additional University debt capacity be used for these projects through FY 2007; and

BE IT FURTHER RESOLVED, That the University is authorized to spend up to \$20 million for these executive design and planning services and that any additional expenditure for these services shall require subsequent authorization from this Board; and

BE IT FURTHER RESOLVED, That design development and construction for specific projects within the Clinical Expansion projects shall require separate Board of Trustees authorization, provided that no authorization for construction contracts is to be submitted to the Board until a business plan is approved by the University.

**APPROVAL TO ENTER INTO FEASIBILITY STUDY, DESIGN, AND
CONSTRUCTION CONTRACTS AND TO INCREASE
CONSTRUCTION CONTRACTS**

Resolution No. 2007-58

**APPROVAL TO ENTER INTO FEASIBILITY STUDY CONTRACT
MARION CAMPUS – SCIENCE AND ART BUILDING FEASIBILITY STUDY**

**APPROVAL TO ENTER INTO DESIGN CONTRACTS
MORRILL TOWER – FRESH EXPRESS
OSU GOLF COURSE – RESTROOM RENOVATION**

**APPROVAL TO ENTER INTO CONSTRUCTION CONTRACTS
DODD HALL – 3RD AND 4TH FLOOR RENOVATION
JAMES CANCER HOSPITAL – ELEVATOR UPGRADES
LINCOLN TOWER - CONCRETE MANHOLE DEMOLITION
PUT-IN-BAY WATER AND SEWER LINE EXTENSION
STEEL MANHOLE REPLACEMENTS
JOB ORDER CONTRACT 2007 (JOC)**

**APPROVAL TO INCREASE CONSTRUCTION CONTRACTS
BRADLEY AND PATERSON HALLS - RESTROOM RENOVATION**

November 3, 2006 meeting, Board of Trustees

Synopsis: Authorization to enter into feasibility study, design, and construction contracts, and to increase construction contracts, for the projects listed above, as detailed in the attached materials, is requested.

WHEREAS in accordance with the attached materials, the University desires to undertake and enter into a feasibility study contract for the following project:

Marion Campus – Science and Art Building Feasibility Study (N/A)	\$0.14M	College operating funds
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WHEREAS in accordance with the attached materials, the University desires to undertake and enter into design contracts for the following projects:

Morrill Tower – Fresh Express (05-06 capital request)	\$0.43M	Student Affairs operating funds
OSU Golf Course – Restroom Renovation (05-06 capital request)	\$2.08M	Athletics operating funds

WHEREAS in accordance with the attached materials, the University desires to enter into construction contracts for the following projects:

Dodd Hall – 3 rd and 4 th Floor Renovation (N/A)	\$0.39M	Hospitals operating funds
James Cancer Hospital – Elevator Upgrades (N/A)	\$1.27M	James Cancer Hospital operating funds
Lincoln Tower - Concrete Manhole Demolition (05-06 capital request)	\$0.20M	State funds
Put-In-Bay Water and Sewer Line Extension (03-04 capital request)	\$2.50M	2007 bond proceeds
Steel Manhole Replacements (03-04 capital request)	\$0.26M	State funds
Job Order Contract 2007 (N/A)	\$60.00M	Various sources

WHEREAS in accordance with the attached materials, the University desires to increase construction contracts for the following projects:

Bradley and Paterson Halls - Restroom Renovation (05-06 capital request)	\$4.27M	2007 bond proceeds
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**Parentheses indicates the biennial capital request or other action by the Board of Trustees to authorize the capital project; renovation projects funded by internal office or departmental funds that are noted as "N/A" have not had separate capital project authorization because of their smaller size or because they arose unexpectedly between capital planning cycles.*

NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to enter into feasibility study, design, and construction contracts, and to increase construction contracts, for the projects listed above in accordance with established University and State of Ohio procedures, with all actions to be reported to the Board at the appropriate time.

(See Appendix XX for background information and maps, page 513.)

EASEMENT RENEWALS

Resolution No. 2007-59

COLUMBUS SOUTHERN POWER COMPANY
CITY OF UPPER ARLINGTON
OHIO BELL TELEPHONE COMPANY

VARIOUS LOCATIONS
THE OHIO STATE UNIVERSITY
COLUMBUS, OHIO

Synopsis: Authorization to grant the following renewal easements for existing utility services to The Ohio State University at the Columbus Campus, is proposed.

WHEREAS Columbus Southern Power has requested the renewal of a 10-foot wide by 240-foot long easement south of Kinnear Road for an electric power line to 1315 Kinnear Road; and

WHEREAS Columbus Southern Power has requested the renewal of a 10-foot wide by 1,184.5-foot long easement for an electric power line to the DCISS State Computer Center on North Star Road; and

WHEREAS the City of Upper Arlington has requested the renewal of 2 easements containing 0.021 acres and 0.002 acres to continue a road way right-of-way at the intersection of Kenny and McCoy Roads, and south of Kenny Road and Millcreek Lane on The Ohio State University Golf Course; and

WHEREAS the City of Upper Arlington has requested the renewal of a 20-foot by 2,299.38-foot easement to continue to provide sanitary sewer services to The Ohio State University Golf Course; and

WHEREAS Ohio Bell has requested the renewal of a 10-foot by 2,735.62-foot easement for telephone communication lines across land at The Ohio State University Airport; and

WHEREAS each renewal is for a term of 25 years; and

WHEREAS the appropriate University offices have determined that the grant of these easements is in the best interest of the University:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to approve and the Ohio Department of Administrative Services be authorized to process appropriate documents and grant the above easement renewals upon such terms and conditions as are in the best interest of the University.

(See Appendix XXI for maps, page 527.)

**POLICY REGARDING BOARD OF TRUSTEES' REVIEW AND APPROVAL
OF CAPITAL PROJECTS AND REAL ESTATE TRANSACTIONS**

Resolution No. 2007-60

Synopsis: Adoption of a codified policy regarding Board of Trustees' review and approval of capital projects and real estate transactions is proposed.

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WHEREAS the Board of Trustees of The Ohio State University has a fiduciary responsibility with respect to the stewardship of University resources and the development of University property and facilities to meet the academic needs of the University; and

WHEREAS except as provided by the Board of Trustees, the Board retains sole authority with respect to University capital improvement projects and real estate transactions; and

WHEREAS the Board desires to provide for the flexibility needed to ensure the timely completion of capital projects while ensuring that the Board retains the authority and ability to exercise appropriate oversight regarding the capital improvement process, especially with respect to major projects; and

WHEREAS in 2003, management of capital improvement projects was identified as one of six core processes to be reviewed, and several actions since have been taken to streamline the processes involved during the planning, design, and construction phases of capital projects, resulting in gained efficiencies and cost savings; and

WHEREAS there now is a need to codify the policies and guidelines of the Board and the University regarding review and approval for capital projects, planning studies, and real estate transactions:

NOW THEREFORE

BE IT RESOLVED, That the attached policy regarding Board of Trustees review and approval of capital projects, planning studies, and real estate transactions be adopted, effective immediately, and that the Senior Vice President for Business and Finance, in consultation with the Office of the Board of Trustees, be responsible for coordination of the implementation of this policy; and

BE IT FURTHER RESOLVED, That under the direction of the Senior Vice President for Business and Finance, the Office of Facilities Operations and Development shall have the responsibility and requisite authority for contracting for the University for any capital improvement project of any kind (repair, maintenance, renovation, or new construction) estimated to cost less than \$200,000, in accordance with all applicable laws and regulations.

(See Appendix XXII for background information, page 533.)

FY 2009 BOND ISSUANCE

Resolution No. 2007-61

Synopsis: In accordance with the University's policies regarding use of University debt, including bonds, internal loans and lines of credit, and leases, a limitation on the amount of debt the University assumes as part of the FY 2009 Bond Issuance is recommended.

WHEREAS the strategic use of borrowing for capital projects is important to achieving the goals of the Academic Plan; and

WHEREAS maintenance of the University's credit rating is critical to the cost effective use of University resources; and

November 3, 2006 meeting, Board of Trustees

WHEREAS to achieve an appropriate balance between needed support for new initiatives and protection of the University's credit worthiness, the Board of Trustees adopted policies regarding the use of University debt in March 2005:

NOW THEREFORE

BE IT RESOLVED, That the Board hereby reaffirms that the University shall limit the size of the FY 2009 bond issue to be no more than \$500 million for capital projects; and

BE IT FURTHER RESOLVED, That no capital project other than those previously approved by this Board shall be eligible for debt service without prior approval of the President's Cabinet and the Board of Trustees.

(See Appendix XXIII for background information, page 537.)

Upon motion of Mr. O'Dell, seconded by Mr. Shumate, the Board of Trustees adopted the foregoing resolutions by unanimous roll call vote, cast by Trustees Duncan, Hendricks, McFerson, Cloyd, Davidson, Ong, Wexner, O'Dell, Shumate, Hicks, Fisher, Schottenstein, Brass, and Shackelford.

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REPORT OF RESEARCH CONTRACTS AND GRANTS

Resolution No. 2007-62

Synopsis: The report on research and other sponsored program contracts and grants and the summaries for August and September 2006 are presented for Board acceptance.

WHEREAS monies are solicited and received on behalf of the University from governmental, industrial, and other agencies in support of research, instructional activities, and service; and

WHEREAS such monies are received through The Ohio State University Research Foundation:

NOW THEREFORE

BE IT RESOLVED, That the research agreement between The Ohio State University and The Ohio State University Research Foundation for the contracts and grants reported herein during the months of August and September 2006 be approved.

Upon motion of Mrs. Davidson, seconded by Amb. Ong, the Board of Trustees adopted the foregoing resolution with twelve affirmative votes, cast by Trustees Duncan, Hendricks, McFerson, Davidson, Ong, O'Dell, Shumate, Hicks, Fisher, Schottenstein, Brass, and Shackelford, and two abstentions cast by Trustees Cloyd and Wexner.

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EASEMENTS

Resolution No. 2007-63

TIME WARNER TELECOM OF OHIO, L.L.C.

NORTH STAR ROAD
BROOKDOWN DRIVE
COLUMBUS, OHIO
AT&T OHIO
MCCOY ROAD
UPPER ARLINGTON, OHIO

Synopsis: Authorization to grant various easements is proposed.

WHEREAS Time Warner has requested a 10-foot by 922.81-foot easement to allow fiber optic communication lines along North Star Road at the Columbus Campus for a term of 25 years. The easement is being granted for nominal consideration to provide service to Ohio Educational Broadcasting, a tenant of the University; and

WHEREAS Time Warner has requested a 10-foot by 280-foot easement for a term of 25 years to allow fiber optic communication lines along and across Brookdown Drive at The Ohio State University Airport. The easement is being granted for nominal consideration to provide service to MedFlight, a tenant, and an entity in which the University is a partner; and

WHEREAS AT&T has requested a 150-square foot easement south of McCoy Road at The Ohio State University Golf Course for a term of 25 years to locate telephone communication equipment; and

WHEREAS the appropriate University offices have determined that the granting of these easements is in the best interest of the University:

NOW THEREFORE

BE IT RESOLVED, That the President and/or Senior Vice President for Business and Finance be authorized to approve and the Ohio Department of Administrative Services shall be authorized to process appropriate documents and grant easements to Time Warner Telecom of Ohio, L.L.C. and AT&T Ohio upon such terms and conditions as are in the best interest of the University.

Upon motion of Mr. Wexner, seconded by Dr. Cloyd, the Board of Trustees adopted the foregoing resolution with thirteen affirmative votes, cast by Trustees Duncan, Hendricks, McFerson, Cloyd, Davidson, Ong, Wexner, O'Dell, Shumate, Fisher, Schottenstein, Brass, and Shackelford, and one abstention cast by Trustee Hicks.

(See Appendix XXIV for maps, page 547.)

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NEW STUDENT PROFILE

Provost Barbara R. Snyder:

You have heard from President Holbrook that for the 12th year in a row, we welcomed the best prepared class in the University's history. My role this morning is simply to introduce Dr. Martha Garland, vice provost for Enroll-

ment Services and dean of Undergraduate Education. As you know, Martha oversees several of our critical areas including Admissions and First Year Experience. I wish I could tell you that I am the genius who recruited Martha to the Office of Academic Affairs from the College of Humanities, but I have to admit that that credit goes to one of my predecessors. Martha's leadership has been extraordinary in this area as you will see when she reports on the first-year class and tells you about the people on her team who work hard to help Ohio State achieve its goals.

Dr. Martha M. Garland:

Thank you very much, Provost Snyder. I am very pleased to be invited to update the Board on Ohio State's newest incoming class. Having an opportunity like this is one of the great things about my job. I think as members of the Board of Trustees, you never tire of hearing the success stories like the one I am about to relate.

I know it doesn't spoil the story to tell you what you have heard in a variety of other ways. The ending first -- for the 12th consecutive year, we have welcomed the best prepared freshman class in Ohio State's history. Among that class: 44% of the students, nearly half, graduated in the top 10% of their high school class and 80% graduated in the top quarter. Compare those statistics with last year, when we had 39% graduating in the top 10% and 77% finishing in the top quarter. It is even more telling to consider the figures from 1995, when 21% of the students graduated in the top 10% in their high school class and 46% graduated in the top quarter.

What these numbers tell us is that we are making progress and that our progress is accelerating. That acceleration is due in no small measure to The Ohio State University's 2008 Enrollment Management Plan, which was implemented three years ago to help realize the vision of our Academic Plan that Ohio State become the nation's premiere land-grant University.

One goal of the Ohio State 2008 Plan is that for the entering class of 2008, some 60% of the new first quarter freshman will come from the top 10%, but about 90% from the top quarter of their high school class. The plan also calls for an average ACT score, 2 years from now, to rise to 27. I am happy to tell you that the average ACT score for this year's class is 26.4. As you can see, we are very much on track to meet the goals of the Ohio State 2008 Plan.

The plan also proposes an enrollment target of 5,800 new first quarter freshmen. This autumn with our first year class at 6,162 students, we welcomed about 300 more than the target number. This happy dilemma resulted from the fact that more admitted students enrolled than we had predicted. The national ratio of enrollees to admitted students is about 44%, this year our ratio is nearly 50%. This higher yield underscored a point President Holbrook made in her State of the University Address -- "Ohio State has become a destination institution for the academically talented." As our students have become better prepared academically, more are staying in school and graduating. In 1995, 79% of our freshmen returned for their sophomore year. This year, a record 91.5% of our first year students did so. Nationally, the average for university freshmen returning after their sophomore year is approximately 77%.

I am especially gratified to tell you that the retention gap between minority and non-minority students has narrowed to less than 2%. Our improved retention is in part a characteristic of the better-prepared students I have

been describing, but it is also the result of our concerted efforts to take good care of students once they have come to Ohio State.

We have enriched the student experience by providing increased opportunities for research, study abroad, and the honors and scholars programs, including the Honors Collegium which you heard Josh talk about the benefits of a bit earlier. We have also allocated funds to open closed courses, we have provided better advising, and we inaugurated a number of student leadership opportunities.

Then there is our nationally acclaimed First Year Experience program, which provides freshman with the tools to make a successful transition to college under the effective and almost magical leadership of Assistant Vice President Mabel Freeman. The First Year Experience is among the most visible and vital reasons for Ohio State's improved retention.

Another crucial factor in our ability to retain students is the attention we have been paying to our physical landscape. There is a direct correlation between retention and the quality of the teaching and learning environment. In just the last year, we have increased our number of state-of-the-art classrooms, added new research space, inaugurated a centrally managed wireless network, and expanded accommodations for people with disabilities -- a thing that in the last week or so I have come to appreciate. You would be surprised how much you like curb cuts and ramps when you are on crutches. These enhancements are especially important in our ability to recruit and retain the very best and brightest.

This year the number of University Scholars rose by nearly 200. The 1,100 University Scholars are among the 2006 new first quarter freshmen who are students typically in the top 3% of their high school class and who have at least a 29 on the ACT.

Our diversity is also up. Students of color account for 16% of the 2006 freshman class. The number of Asian American freshman increased this year by 29%; the percentage of American Indian freshman, admittedly a small number, increased by 22%; and our Hispanic freshman, again a small number, increased by about 6%.

I have to admit a big disappointment was the decline among African American freshman on the Columbus campus. This autumn we had 40 fewer new first quarter African American students than last year when we had experienced a small gain. However, it is modestly encouraging that University-wide, including our regional campuses, the number of African American freshman is actually up by 14 students. As you can see in this area, we are making some progress but we still have much to do.

The Office of Minority Affairs, led by Vice Provost Mac Stewart, leads the charge in recruiting minority students for Ohio State. Through initiatives like the Morrill Scholars Program, we are working hard to deepen our pool of excellent minority college students. This year the freshman class was also increasingly international. Though the numbers remain small, we made a 40% gain this year, a testimony to the effectiveness of the international recruiting that we have been doing for the last two years.

Through the combined systematic strategic work of the Offices of Undergraduate Admissions, Minority Affairs, and Financial Aid, and our colleges, Ohio State's recruitment efforts have been marvelously successful. As a result, our recruitment programs have been noticed and copied throughout the nation. This means going forward that we will be

operating in an ever more rarified atmosphere for recruiting high-ability students, so we can't rest on our laurels, nor are we going to. Evidence of that includes the steps we are taking to ensure that Ohio State is financially accessible to every qualified student. As Provost Snyder reported when she spoke to the Board in September, one of this year's institutional priorities is eliminating financial barriers to college. In fact, Ohio State has set a goal of becoming the national leader in enabling financial access to higher education.

To achieve that goal, the University has appointed Tally Hart, formerly director of Student Financial Aid and a nationally recognized expert in financial aid and access, to the new position of senior advisor for Economic Access. Tally is helping departments and colleges be more strategic about getting their messages across. With her leadership, Ohio State is accelerating its efforts to tell a broader public, starting with students in grade 4, that college is possible. The message is clear -- if students are qualified and want to go to college, the financial resources will be in place to provide them with access. This is a cornerstone of our land-grant mission. Appropriately, Ohio State is defining and driving the national dialog on financial access. Thanks to Tally, we are leading a collaboration of the Big Ten so that all of our schools speak to the federal government with a unified voice on issues like Pell Grants and financial aid formalities.

In closing this story on the 2006 incoming class, let me end with what seems like a beginning, just as I started the story by telling you its ending. I reported a number of collective statistics all of which demonstrated this year's class is the most accomplished we have ever been privileged to welcome. The beginning of the story by contrast might be said about the individuals who allow us to produce that overall narrative. This autumn, our freshmen, some 3,100 men and 3,000 women, have come to Ohio State from all 88 counties in Ohio, 46 states, and more than 146 foreign countries. In their high schools: 290 of them were valedictorians; 1,479 were recipients of community service awards; 1,787 were participants in state music contests; and 3,636 were varsity athletes. Each of these students has a unique personal story which now includes Ohio State as their destination university. These freshmen and their families trust us to provide them with the undergraduate experience that is second to none. Every fiber of the University is bent toward that effort, even as we are also doing our utmost to be able to tell you next year that for the 13th consecutive year we have welcomed the best prepared freshman class in Ohio State's history. Thank you very much.

Judge Duncan:

Are there any questions or discussion?

Mr. Alvarez-Breckenridge:

Dr. Garland and Provost Snyder, it is exciting to hear the accomplishments especially having gone through school here. I made these decisions a few years ago. As I was thinking about that, I thought about my decision to come here and the recruitment process I went through and how the tides changed when I was recruited. The question I have is -- and I am curious as to how the Board can help with this -- what is the greatest challenge in recruiting these highly qualified students, because they are also interested in other prestigious institutions? What are the detractors and how can we help facilitate that?

Dr. Garland:

It is much less of a problem to overcome negative preconceptions these days, since we are in a different environment. As the President said, "we are the destination of choice." Under Dr. Freeman's leadership, we have developed wonderfully strategic processes of recruiting students which involve a lot of very personal attention. We focus our messages on students in terms of what they are specifically interested in and getting back to them with the information they need, and connecting them with the people they need to hear from.

We are also very strategic about our use of financial aid. We make certain we can meet the financial needs for students who have serious financial needs and that we can provide competitive scholarships for students who have other choices. We are doing all of that very well.

What we are getting, but needing to enhance, are the students who you imply are coming here and have other wonderful choices. Our best argument for coming here is the wonderful academic programs. The Office of Undergraduate Admissions has increasingly been working very closely with the colleges, departments, significant faculty members, and the deans to get across the messages about what kind of University this is. Those strong messages are about academic excellence, the existence of the Undergraduate Research Office, and the existence of the Denman Forum. The opportunity for so many of our undergraduate students to participate in research in the Health Sciences' complex is an incredibly powerful resource. So the strength of our academic programs is now the argument that is most powerful. We have moved beyond recruitment strategies to the message of the institution itself that is what is really important. Happily, our deans, chairs, and faculty members are very willing to help us with those messages. That is very critical.

Mr. Brass:

Dr. Garland, of the 6,100 incoming freshmen, do you have a feel for how many are going to stay on campus in dormitories throughout our system?

Dr. Garland:

Our requirement is that they stay on campus or they stay in their own family homes. Even students who live in Franklin County move into the residence halls. The residence halls house about 11,000 students.

Mr. Richard A. Hollingsworth:

Ninety-three percent of the freshman class lives in residence halls.

Mr. Brass:

Is that a limiter for us as we look forward to the next 3, 4, or 5 years?

Dr. Garland:

What is increasingly needed by the residence halls is for the quality and conditions of the residence halls to be competitive with other institutions' residence halls. The Office of Student Affairs is working very hard to decrease the density where we have a large number of students in a relatively small space.

This past year, we reopened Archer House as a residence hall. This building had long ago been a residence hall, but had been closed and used for office space. It wasn't ever good office space, but it is wonderful residence hall space and is available again. We are building the Student Academic Services Building, at the corner of Lane and Tuttle, precisely to get a large number of offices out of Lincoln Tower and return it fully to residence hall space. Those are partly to increase the number of spaces that we have, but partly to shrink the density and make them quality residence halls. We have a lot of evidence that living in residence halls for your first year is very tightly correlated with staying, succeeding, and graduating. That partnership with residence life is a very important part of our effort.

Mr. Brass:

I also want to congratulate you, Dr. Snyder, and the rest of your staff. I was extremely impressed with the statistic of 91.5% retention. I do think there is a correlation with the housing, as well as the academia. Congratulations, these statistics are just outstanding.

Dr. Garland:

Thank you very much.

Amb. Ong:

I think this twelve-year record of improvement is obviously very gratifying. It demonstrates that the move to have selected admissions years ago was the right move to make and has led to this improvement and, obviously, there is more improvement to be had. I would also like to point out that based on my contacts here, not only have these improvements made Ohio State at the undergraduate-level more attractive and more rewarding to students, but this improvement has also caused a pickup in faculty morale. Because so many faculty members -- particularly those in the bad old days before selective admissions -- recognize the great benefit of not having to devote so much of their resources, and time of themselves and their colleagues, to remedial education. I think it is probably a beneficial factor, in so far as the employment and retention of excellent faculty is concern.

Dr. Garland:

I agree completely with that. I am a member of the history faculty and occasionally I have lunch with my colleagues from my department. They are relatively a curmudgeonly bunch and they don't give compliments easily, but they frequently say what a joy it is to work with our undergraduate student body now and they are grateful for the decisions that have led to this situation. It is much more satisfying to teach good students.

Ms. Shackelford:

You can read it in the numbers, but you can see it on the faces of students when they are at freshman convocation. I had the opportunity to attend the convocation this year and there was not a student who was not being attentive to what was being said on stage. I congratulate all of you who make that a very special beginning because those students will stay. They are better academically and they are going to stay until graduation.

November 3, 2006 meeting, Board of Trustees

Mr. McFerson:

It is a great report and I didn't hear hardly anything negative except perhaps a decline in our minority students. Are we in a position yet to know how many of our students are taking remedial classes in English and math? As the quality goes up, I would suspect that number goes down.

Dr. Garland:

It has almost disappeared. At the beginning of this project in 1995, we had about 25% of our students taking either remedial English or math or both. This entering class, the percentage in remedial math is 3.5% and in English it is less than 1%.

Mr. McFerson:

Wow, that is great. That is another reason for faculty morale to improve.

Dr. Cloyd:

Dr. Garland, these are terrific results. The thing that I think is particularly impressive to me is the target and the progress on looking at three items together: the quality retention that you want of the students, the diversity of the students, and financial access. It is great progress to date. I would look forward, in perhaps another venue and point in time, of getting a better understanding of the financial access and diversity and what we are doing in those programs, and how the Board may be able to help more. You paint a little bit of a different picture of what we are seeing here versus what many universities are going through with decreases in financial aid available to students through Pell Grants. There is a very negative picture that occurs on a national front. It seems like you are doing some things that are leading to a more positive atmosphere at Ohio State, but maybe there are some other things we can do to help.

Provost Snyder:

As I promised earlier, we will be back to you next month with a presentation to the full Board on that very topic. We will talk more about that in December.

Judge Duncan:

Does anyone have any further discussion? Again, thanks very much for your hard work and thank you, Dr. Freeman.

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Thereupon the Board adjourned to meet Friday, December 8, 2006, at The Ohio State University, Faculty Club, Columbus, Ohio.

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Attest:

Robert M. Duncan
Chairman

David O. Frantz
Secretary

**THE OHIO STATE UNIVERSITY
ENDOWMENT FUND INVESTMENT
POLICY**

October 2006

**THE OHIO STATE UNIVERSITY
ENDOWMENT FUND INVESTMENT POLICY**

I. PURPOSE

The purpose of this Endowment Fund Investment Policy (hereinafter referred to as the "Policy") is to establish the overall management, investment strategies and discipline of The Ohio State University (hereinafter referred to as "The University") for the Endowment Fund (hereinafter referred to as the "Fund"). This policy is intended to permit sufficient flexibility to capture investment opportunities, yet provide parameters that ensure prudence and care in the execution of the investment program.

This policy is issued for the guidance of fiduciaries, including the Board of Trustees, Investment Committee members, staff, investment managers, investment consultants and custodians for oversight of the Fund. It also states the standards and disciplines adopted so that the Board of Trustees and its Investment Committee can effectively evaluate the performance and operations of the Endowment Fund.

II. GOALS

The Fund was established to provide financial support for the long-term use and benefit of the University. The goal is to manage Fund assets with prudence and discipline to achieve that purpose. It shall also be the policy to manage the Fund in a manner that will preserve and maintain the real purchasing power of the principal while allowing for an annual distribution according to this policy.

III. FIDUCIARY STANDARDS

The Board of Trustees, Investment Committee members, staff, investment managers, consultants and custodians are fiduciaries. Accordingly, these individuals are required to:

- Act solely in the interest of the University, for the purpose of providing income and maintaining the real purchasing power of the principal.
- Act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
- Diversify the investments of the Fund in order to minimize overall risk, and to provide investment returns to achieve the Fund's stated goals.

IV. DUTIES AND RESPONSIBILITIES

- A. Board of Trustees.** The University Board of Trustees has overall responsibility for Fund policy and approval of Investment Committee members. The Board of Trustees vote on items brought forth by the Investment Committee.
- B. Investment Committee.** The Investment Committee has strategic oversight responsibility for the investment program and operations of the Fund. The Committee shall work with the Senior Vice President for Business and Finance and the Treasurer to ensure the Fund is well managed, in accordance with this policy.

- C. **Senior Vice President for Business and Finance.** The Senior Vice President for Business and Finance has oversight responsibility for the Fund's investment operations and reporting. The Senior Vice President for Business and Finance shall review operations and reporting within the Office of the Treasurer to ensure compliance with established policies and procedures.
- D. **Treasurer.** The Treasurer is responsible for managing the Fund's investment operations and reporting. The Treasurer shall review and recommend policies and procedures that are consistent with the investment objectives of the Fund. The Treasurer shall report to the Senior Vice President for Business and Finance and the Investment Committee.
- E. **Investment Managers.** The University utilizes external investment managers to provide portfolio management services. The investment managers may be given discretion, consistent with specified objectives and guidelines, to manage Fund assets. Investment managers operate under a formal contract that delineates responsibilities, risk parameters and performance expectations.
- F. **Consultants.** The University may utilize the services of one or more investment consultants to assist the Treasurer in the areas of: policy development, asset allocation, investment structure analysis, investment manager selection, performance review and other specialized investment topics.
- G. **Custodians.** The University retains one or more custodian banks or trust institutions to custody and report on the assets of the Fund.

V. DISTRIBUTION POLICY

Distributions from the fund will be made at the beginning of each fiscal year according to a formula approved by the Trustees as follows:

- 1. The distribution amount will be calculated on a five-year moving average of the market value of the portfolio.
- 2. The distribution rates are 4.5% for funds existing as of June 30, 2004, and 4% for all others.
- 3. A collar incorporating a maximum annual distribution increase of 3% and a maximum annual distribution decrease of 1% is effective beginning July 1, 2006.

VI. ASSET ALLOCATION AND GUIDELINES

- A. **Time Horizon.** The Fund's investment horizon is long-term (10+ years), therefore interim performance fluctuations should be viewed with this perspective. Similarly, the underlying capital market assumptions of the University's asset allocation plan are based on this long-term perspective.

B. Risk Tolerance. The Board of Trustees, the Investment Committee, and staff recognize the challenge of achieving the Fund's investment objectives in light of the uncertainties and complexities of investment markets. They also recognize that prudent levels of investment risk are necessary to achieve long-term investment objectives.

C. Asset Allocation and Rebalancing. Asset allocation is the largest contributor to overall Fund return performance and risk characteristics. The Investment Committee and the Board of Trustees will periodically evaluate asset class strategies and opportunities, and establish a long term asset allocation plan. After a thorough study of the available asset class opportunities, return objectives and risk tolerance, the Board of Trustees and Investment Committee approved the following asset allocation:

Asset Class	Target	Benchmark
US Large Cap	15%	S&P 500
US Mid Cap	10%	Russell Mid Cap
US Small Cap	10%	Russell 2000
International Equity	25%	ACWI ex US
US Fixed Income	7%	Lehman Aggregate
High Yield	3%	Lehman US Corporate High Yield
International Fixed	3%	Citigroup WBG ex US
Absolute Return	14%	90 Day T-Bill + 4%
Real Estate	8%	NCREIF Property Index
Private Equity	7%	Venture Economics
Natural Resources	3%	90 Day T-Bill + 5%
Cash	-5%	90 Day T-Bill

Market fluctuations, cash flows and liquidity issues will cause the actual asset allocation to diverge from the target allocation from time to time. The Treasurer will rebalance the portfolio to policy target weightings, periodically as needed.

D. Investment Manager Guidelines. The investment guidelines incorporated into each manager's contract documents the performance expectations and risk parameters of the manager's investment approach. The guidelines also specify the typical portfolio characteristics of the portfolio. These characteristics are used to monitor a manager's investment style adherence to insure that the manager is continuously fulfilling its investment role in the Fund.

VII. INVESTMENT MONITORING PROCESS

The Fund's investment managers will be monitored for consistency of investment philosophy, return relative to objectives, and investment risk. The Treasurer and the Senior Vice President for Business and Finance will monitor the overall fund results and investment portfolios, but results will be evaluated on a long term basis. The following manager issues will be considered by the Treasurer: (1) failure to comply with the applicable investment style, guidelines, performance objectives, and fees, (2) a material change in ownership or personnel, or (3) a violation or

potential violation of the terms of the investment manager agreement or other applicable laws and regulations.

VIII. EXERCISE OF SHAREHOLDER RIGHTS

The University recognizes that publicly traded securities and other assets of the Fund may include certain ancillary rights, such as the right to vote on shareholder resolutions at companies' shareholders' meetings, and the right to assert claims in securities class action lawsuits or other litigation. The University requires of itself and its external managers the prudent management of these assets of the Fund for the exclusive purpose of enhancing the value of the Fund. The Treasurer has the authority to vote proxies in accordance with the Proxy Policy.

IX. REVIEW AND MODIFICATION OF INVESTMENT POLICY STATEMENT

All policies of the Fund are in effect until modified by the Board of Trustees. While material changes are expected infrequently, the Treasurer will review the Investment Policy at least annually for continued appropriateness and recommend any changes to the Senior Vice President for Business and Finance, the Investment Committee, and the Board of Trustees.

X. EXCEPTIONS

Modifications and exceptions to this Policy shall be authorized by resolution of the Board of Trustees or as provided herein. The terms and conditions of this Policy as to the endowment portfolio may be waived if specified by the terms of a gift and approved by the Board of Trustees.

(APPENDIX XIX)

**Waivers of Competitive Bidding Requirements
July - September 2006**

<u>Category</u>	<u>Total</u>		<u>Sole Source</u>		<u>Emergency</u>		<u>Sufficient Economic Reason</u>	
Health Sys- Merchandise for Resale	\$2,273,500	2	\$0	0	\$0	0	\$2,273,500	2
Health Sys- Prof Hlth Care Serv	\$13,643,539	22	\$12,368,539	18	\$0	0	\$1,275,000	4
Health Sys- Admin Equip & Serv	\$11,400,831	40	\$9,367,309	32	\$160,000	1	\$1,873,522	7
Merchan. & Serv for Resale	\$100,000	1	\$0	0	\$0	0	\$100,000	1
Instruc & Research Equip and Services	\$8,097,969	66	\$4,760,368	35	\$429,884	3	\$2,907,717	28
Rent & Lease Pay made by Plan & RE	\$7,700,000	1	\$7,700,000	1	\$0	0	\$0	0
Admin Suprt Equip and Services	\$5,942,818	40	\$3,898,745	17	\$204,847	4	\$1,839,226	19
TOTAL	\$49,158,657	172	\$38,094,961	103	\$794,731	8	\$10,268,965	61



Marion Campus - Science and Art Building Feasibility Study

315-07-0136

Requesting Agency(s): MARION CAMPUS

Location(s): Morrill Hall, James Lewis

46,505 ASF/73,528 GSF Age: 1968

Description:

This project will study the feasibility of constructing a new building focusing on science and art.

Project Information:

The study will review potential sites; develop a space program; and explore sustainability options. The study will also include cost estimate, time lines and phasing options.

Issues:

How does this project advance the Academic Plan? This project will advance the Academic Plan by allowing the campus to explore options for providing improved teaching, research and office facilities and improving the science and art academic programs.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
General Funds-Marion	\$140,000.00					
Total:	\$140,000.00					

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$140,000.00	11/03/2006		

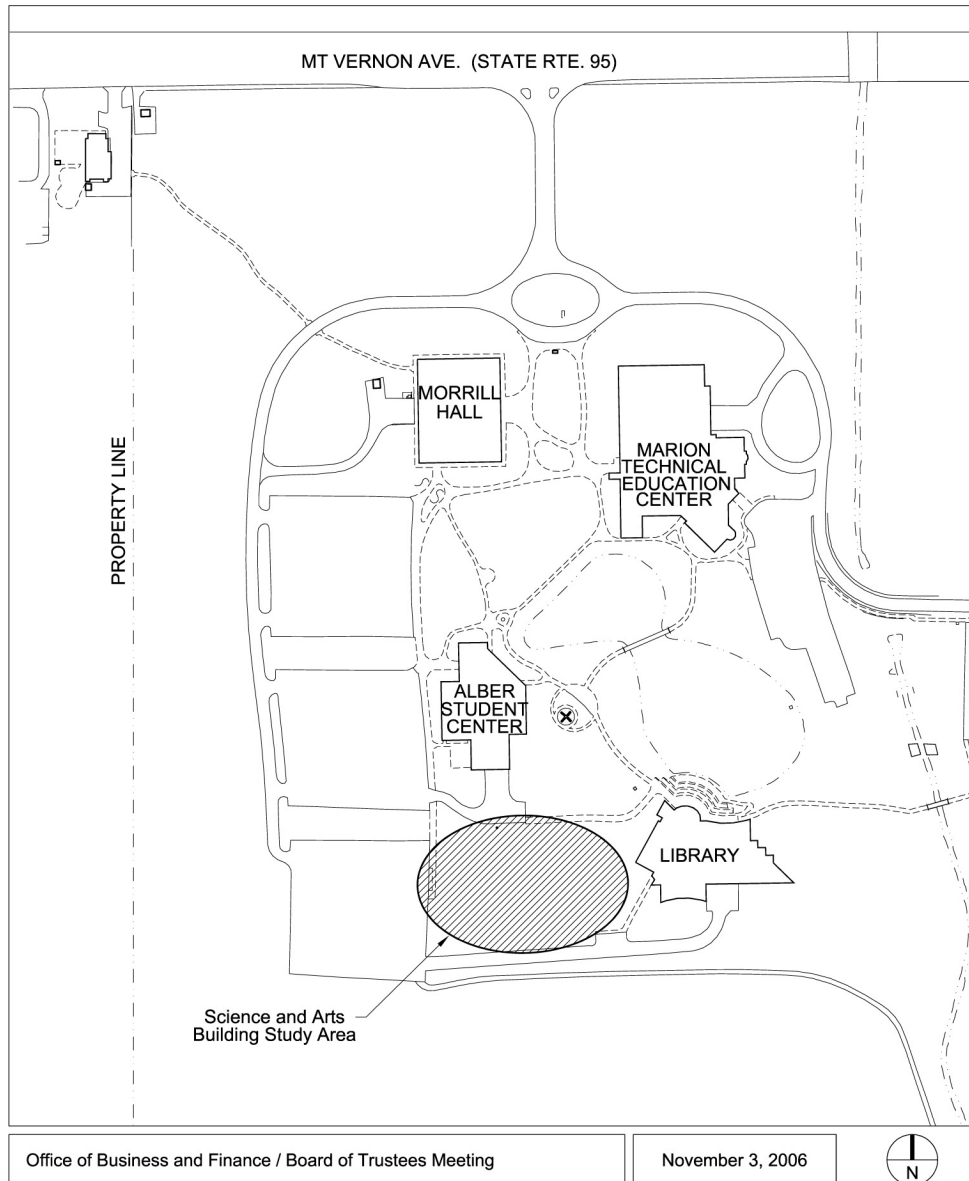
Project Team:

Project Manager: Corey Morris (morris.716@osu.edu)

Project Coordinator: Andrea Cuthbert (cuthbert.11@osu.edu)

OSU Marion

- Marion Campus - Science and Art Building Feasibility Study





Requesting Agency(s): STUDENT AFFAIRS, OFFICE OF

Location(s): Morrill Tower, Justin S.

199,325 ASF/324,504 GSF Age: 1967

Description:
This project will renovate the Morrill Tower dining area to the newly developed "Fresh Express" service concept. The focus of the menu will be on items that are prepared fresh such as "tossed to order" salads, a deli station and a "grilled to order" station.

Project Information:
Improvements include new interior and exterior signage; new lighting; new kitchen layout and equipment.

Issues:
How does this project advance the Academic Plan? This renovation supports the Academic Plan by enhancing the quality of residence hall life by providing a healthful alternative dining option.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
Auxiliaries-Student Affairs	\$432,243.00					
Total:	\$432,243.00					

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$432,243.00	11/03/2006		
CONSTRUCTION				
Construction Start		06/15/2007		
Completion		08/20/2007		

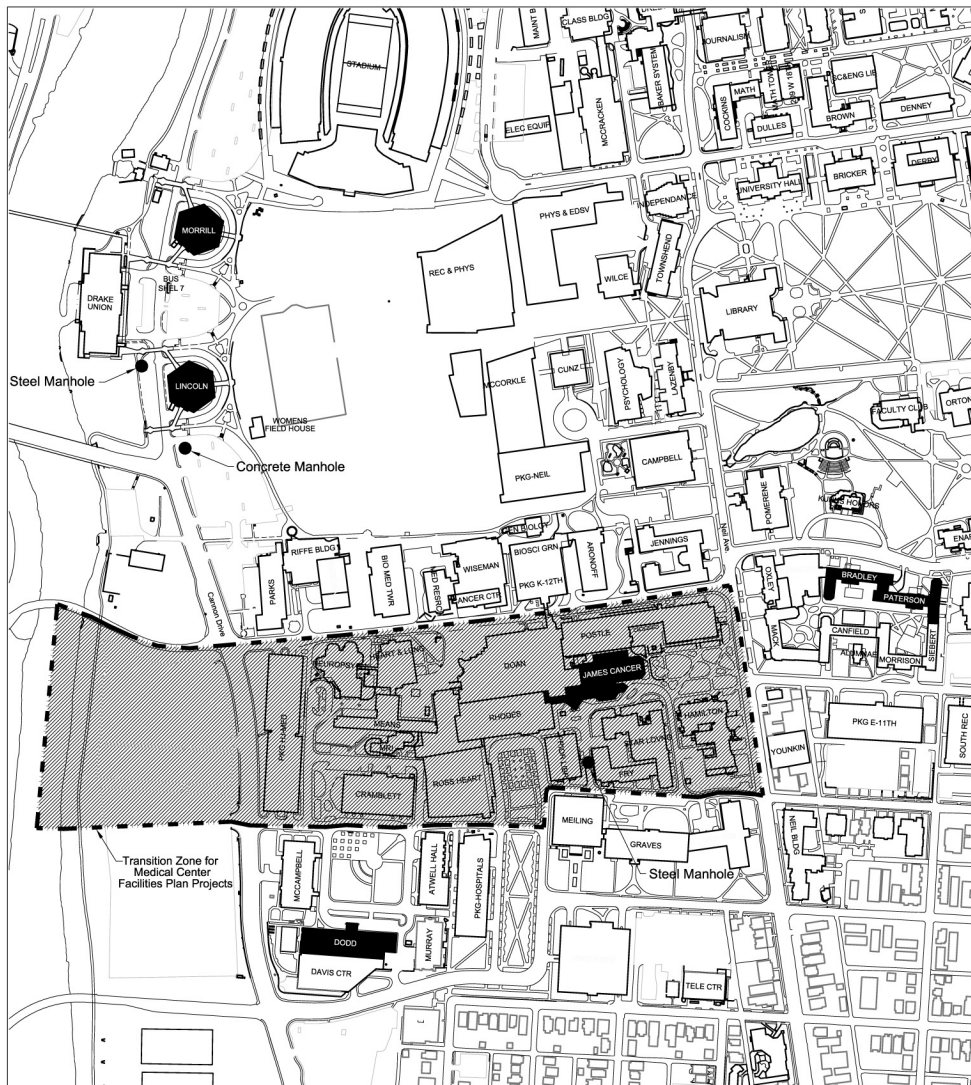
Project Team:

Project Manager: Nikolina Sevis (sevis.2@osu.edu)

Project Coordinator: Leeanne Chandler (chandler.63@osu.edu)

Core and Medical Campus Projects

- Bradley and Paterson Halls Restroom Renovation
- Dodd Hall - 3rd and 4th Floor Renovation
- James Cancer Hospital - Elevator Upgrades
- Lincoln Tower Concrete Manhole Demolition
- Morrill Tower - Fresh Express
- Steel Manhole Replacement



Office of Business and Finance / Board of Trustees Meeting

November 3, 2006





OSU Golf Course - Restroom Renovation

315-07-0126

Requesting Agency(s): ATHLETICS

Location(s): Various Locations, Columbus

ASF/0 GSF Age:

Description:

This project will demolish and replace four (4) existing restroom facilities and add one new restroom facility. The project will also provide a concession area and concessions for the golfers.

Project Information:

Issues:

How does this project advance the Academic Plan? This project will provide restroom facilities for the golfing program.

Outstanding Funding Issues: None

Timing Issues: The construction cannot begin until the Autumn 2007 season has completed and must reopen for Spring 2008.

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
Auxiliaries-Athletics	\$2,083,000.00					
Total:	\$2,083,000.00					

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$2,083,000.00	11/03/2006		
CONSTRUCTION				
Construction Start		10/01/2007		
Completion		04/01/2008		

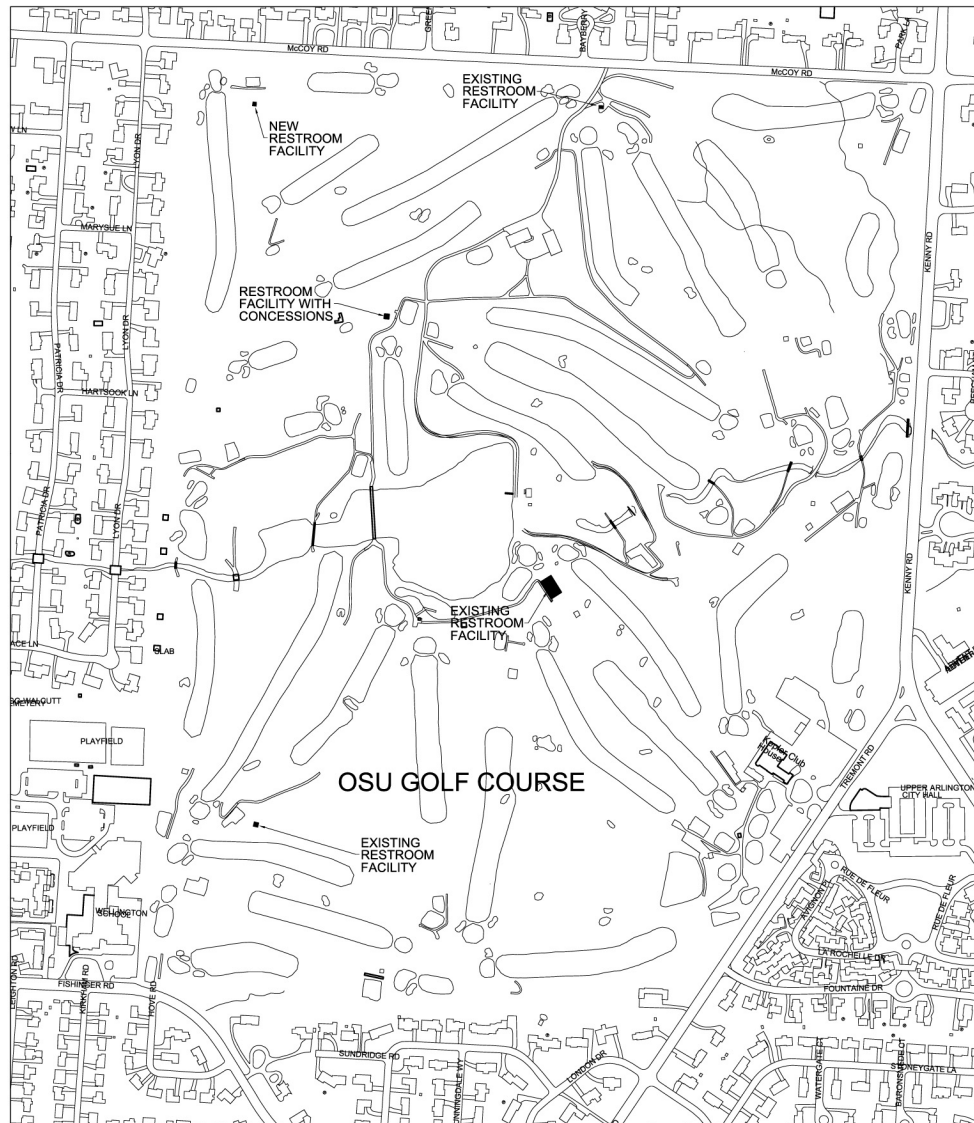
Project Team:

Project Manager: Gary Collier (collier.26@osu.edu)

Project Coordinator: Karen Cogley (cogley.1@osu.edu)

OSU Golf Course

- OSU Golf Course - Restroom Renovation



Office of Business and Finance / Board of Trustees Meeting

November 3, 2006





Dodd Hall - 3rd and 4th Floor Renovation

315-2006-918

Requesting Agency(s): UNIVERSITY HOSPITALS

Location(s): Dodd Hall, Verne A.

43,256 ASF/84,673 GSF Age: 1961

Description:

This project will complete inpatient room upgrades and installation of patient lifts in six rooms.

Project Information:

Project did not meet criteria for Board of Trustees approval at the time the A/E was selected.

Issues:

How does this project advance the Academic Plan? Enables the Medical Center Facilities Plan, which will support continued clinical, teaching and research missions at The Ohio State University.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
Auxiliaries-University Hospitals	\$386,400.00					
Total:	\$386,400.00					

Schedule:

BIDDING

Bidding Approved BoT

CONSTRUCTION

Construction Start

Completion

BoT Approved Amt.

\$386,400.00

Projected

11/03/2006

Revised

11/15/2006

Actual

05/15/2007

Project Team:

Project Manager: Abu Saleh (saleh.16@osu.edu)

LUPTON RAUSCH ARCHITECTS INC - Design

Project Coordinator: Curt Handschug (handschug.1@osu.edu)



James Cancer Hospital - Elevator Upgrade

315-2006-909

Requesting Agency(s): CANCER HOSPITAL & RESEARCH INSTITUTE

Location(s): James Cancer Hosp & Solove Res Inst

116,384 ASF/265,423 GSF Age: 1990

Description:

This project will consist of a major elevator modernization in the James Cancer Hospital. The project will include the modernization and upgrade of three patient and staff elevators, and the elevator equipment room.

Project Information:

The project budget increased during design for identified code changes and escalation in material cost.

Issues:

How does this project advance the Academic Plan? Enables the Medical Center Facilities Plan, which will support continued clinical, teaching and research missions at The Ohio State University.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: Special attention to project safety and building function will be essential since this building will be fully operational during the elevator upgrades. Two elevator cars are required to be fully operational 24 hours per day, seven days per week for the duration of the project.

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
Auxiliaries-James Cancer Hospital	\$1,270,522.00					
Total:	\$1,270,522.00					

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT		12/02/2005		12/02/2005
DESIGN				
Arch/Engr Contract	\$667,400.00	06/09/2006		06/23/2006
Design Dev Document Approval		06/30/2006	09/29/2006	
Construction Document Approval		07/30/2006	10/30/2006	
BIDDING				
Bidding Approved BoT	\$1,270,522.00	11/03/2006		
CONSTRUCTION				
Construction Start		10/02/2006	01/12/2007	
Completion		10/02/2008	12/21/2008	

Project Team:

Project Manager: Jack Bargaheiser (bargaheiser.2@osu.edu)

Project Coordinator: Curt Handschug (handschug.1@osu.edu)

ES ARCHITECTURE AND DEVELOPMENT - Design



Lincoln Tower Concrete Manhole Demolition

315-2005-932

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): Unidentified Utility, Col.

ASF/0 GSF Age:

Description:

This project will relocate the 10" steam line where it crosses Cannon Drive north of Herrick Drive, which will eliminate the existing concrete manhole and prevent steam discharges onto the sidewalk and roadway.

Project Information:

Issues:

How does this project advance the Academic Plan? The project will help improve the reliability of steam to meet campus needs.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
HB16 Columbus Basic Renovation	\$200,000.00					
Total:	\$200,000.00					

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$200,000.00	09/23/2005		09/23/2005
DESIGN				
Schematic Design Approval		01/15/2006		03/23/2006
Design Dev Document Approval		01/15/2006		03/23/2006
Arch/Engr Contract		01/10/2005	08/17/2006	07/21/2006
Construction Document Approval		03/03/2006	10/05/2006	
BIDDING				
Bidding Approved BoT	\$200,000.00	04/07/2006	11/03/2006	
CONSTRUCTION				
Construction Start		08/15/2006	06/11/2007	
Completion		09/30/2006	08/30/2007	

Project Team:

Project Manager: Bo Zhang (zhang.403@osu.edu)

Project Coordinator: Karen Cogley (cogley.1@osu.edu)

KRAMER ENGINEERING - Design



Put-In-Bay Water and Sewer Line Extension

5062-PF6799

Requesting Agency(s): BUSINESS & FINANCE, OFFICE OF

Location(s): Peach Point, South Bass Island

1,556 ASF/2,013 GSF Age: 1926

Description:

This project provides centralized water and sewer service to all facilities owned by OSU on the Peach Point of South Bass Island and on Gibraltar Island. It will connect these facilities to the Village of Put-in-Bay's water and sewer systems. The work will install approximately 3,000 feet each of water and sewer pipeline from the Village of Put-in-Bay's limit to Peach Point and approximately 1,000 feet each of water and sewer pipeline, in the bed of Lake Erie, from Peach Point to Gibraltar Island.

Project Information:

EPA has mandated that all water lines on the islands must connect to the Village water system.

Issues:

How does this project advance the Academic Plan? This project advances the Academic Plan by meeting the University mission of teaching and learning.

Outstanding Funding Issues: None

Timing Issues: Special permits may be required to protect the wildlife.

"Ripple effects" of the project: None

Special limitations/risks: The Village of Put-In-Bay and Ottawa County must approve all plans prior to start of construction. An easement from private property owners for a lift station must be obtained.

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
Univ. Bond Proceeds	\$2,500,000.00					
Total:	\$2,500,000.00					

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$2,500,000.00	05/02/2003		05/02/2003
DESIGN				
Schematic Design Approval		08/01/2003	02/28/2006	03/02/2006
Design Dev Document Approval		10/01/2003	02/28/2006	03/02/2006
Construction Document Approval		12/01/2003	04/03/2006	04/03/2006
BIDDING				
Bidding Approved BoT	\$2,500,000.00	01/09/2004	11/03/2006	
Bid Opening		02/04/2004	12/05/2006	
CONSTRUCTION				
Award of Contracts		04/15/2004	02/05/2007	
Construction Start		04/15/2004	04/16/2007	
Completion		10/31/2004	07/16/2007	

Project Team:

Project Manager: Bo Zhang (zhang.403@osu.edu)

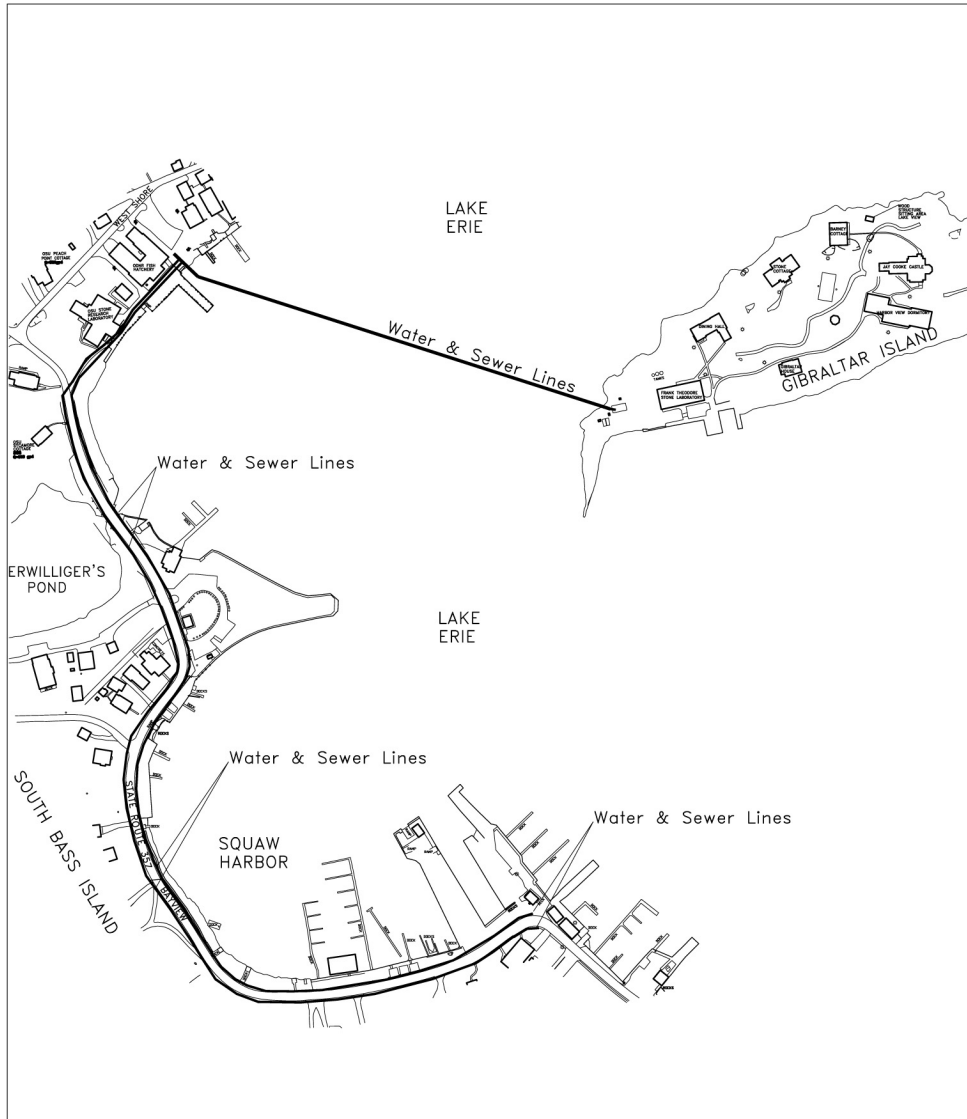
Project Coordinator: Andrea Cuthbert (cuthbert.11@osu.edu)

LOS ALAMOS TECHNICAL ASSOCIATES INC - Design

SHARP AND ASSOCIATES, INC - Design

Lake Erie Projects

- Put-In-Bay Water and Sewer Line Extension



Office of Business and Finance / Board of Trustees Meeting

November 3, 2006





Steel Manhole Replacement

315-2005-936

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): Unidentified Utility, Col.

ASF/0 GSF Age:

Description:

This project will replace two deteriorated steel manholes with new concrete manholes. One is located west of Lincoln Tower and the other is in the roadway between Fry Hall and Prior Health Sciences Library.

Project Information:

The project budget has increased due to the escalation cost of the manholes.

Issues:

How does this project advance the Academic Plan? The project will help to ensure a reliable supply of steam to meet campus needs.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
HB675 Columbus Basic Renovation	\$0.00	\$50,000.00				
HB16 Columbus Basic Renovation	\$210,000.00					
Total:	\$210,000.00	\$260,000.00				

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT		09/23/2005		09/23/2005
DESIGN				
Schematic Design Approval		01/15/2006		03/15/2006
Design Dev Document Approval		01/15/2006		03/15/2006
Construction Document Approval		03/03/2006	10/05/2006	
BIDDING				
Bidding Approved BoT	\$260,000.00	04/07/2006	11/03/2006	
Bid Opening		05/15/2006	12/07/2006	
CONSTRUCTION				
Award of Contracts		09/30/2006	02/07/2007	
Construction Start		08/15/2006	06/11/2007	
Completion		09/30/2006	08/30/2007	

Project Team:

Project Manager: Bo Zhang (zhang.403@osu.edu)
PRATER ENGINEERING ASSOCIATES - Design

Project Coordinator: Karen Cogley (cogley.1@osu.edu)



Job Order Contract 2007

Requesting Agency(s): FACILITIES OPERATIONS AND DEVELOPMENT

Location(s): Various Locations, Columbus

Description:

This project will competitively bid a firm fixed price indefinite quantity contract. The University has been utilizing the Job Order Contract method since January 1996.

Project Information:

Job Order Contract (JOC) is a firm, fixed price, competitively bid, indefinite quantity contract designed to accomplish multi-traded reconstruction, rehabilitation and minor new construction projects that face critical timelines in support of University business needs. Construction Services to be bid are two general, HVAC, electric and plumbing trades. Each contract award will be for a term of one year with options for three additional terms of one year each. Maximum amount of all contracts with option terms awarded is \$60,000,000.

Issues:

How does this project advance the Academic Plan? This project will allow the University to have increased responsiveness to time sensitive projects.

Outstanding Funding Issues: None

Timing Issues: None

"Ripple effects" of the project: None

Special limitations/risks: None

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Bidding Approved by BoT	\$60,000,000.00	11/03/2006		

Project Team:

Project Manager: Steve Middleton
Gordian Group - Consultant

Project Coordinator: Curt Handschug



Bradley and Paterson Halls Restroom Renovations

315-2004-935

Requesting Agency(s): STUDENT AFFAIRS, OFFICE OF

Location(s): Bradley Hall, Carolyn

40,639 ASF/68,507 GSF Age: 1954

Location(s): Paterson Hall, Alma Wacker

38,513 ASF/61,276 GSF Age: 1954

Description:

This project will renovate the corridor restrooms in Bradley and Paterson Halls. The work will include renovations to the plumbing, electrical, and HVAC systems, as well as cosmetic upgrades to the walls, floors and ceilings.

Project Information:

The project budget has increased further due to higher than anticipated material escalation.

This project addresses \$2.2M of deferred maintenance.

Issues:

How does this project advance the Academic Plan? This project advances the Academic Plan by providing improved facilities for students.

Outstanding Funding Issues: None

Timing Issues: Construction must be completed during summer break.

"Ripple effects" of the project: None

Special limitations/risks: None

Source of Funds:	Original	Revised	Uses of Funds:	As Designed	As Bid	Completion
Auxiliaries-Student Affairs	\$1,200,000.00	\$0.00				
Univ. Bond Proceeds 2007 - SA	\$0.00	\$4,266,422.00				
Renovation and Renewal						
Total:	\$1,200,000.00	\$4,266,422.00				

Schedule:	BoT Approved Amt.	Projected	Revised	Actual
PLANNING				
Arch/Engr Approved by BoT	\$1,200,000.00	11/05/2004		11/05/2004
DESIGN				
Schematic Design Approval		08/01/2005		08/19/2005
Design Dev Document Approval		08/29/2005	09/23/2005	09/28/2005
Construction Document Approval		11/23/2005	11/15/2005	12/02/2005
BIDDING				
Bidding Approved BoT	\$3,158,961.00	12/02/2005		12/02/2005
Bidding Approved BoT (Budget Increase)	\$3,742,237.00	02/01/2006		02/01/2006
Bid Opening (Paterson Hall)		01/05/2006	03/17/2006	03/17/2006
Bidding Approved BoT (2nd Budget Increase)	\$4,266,422.00	11/03/2006		
Bid Opening (Bradley Hall)		12/21/2006		
CONSTRUCTION				
Construction Start (Paterson Hall)		06/13/2005	06/12/2006	06/12/2006
Award of Contracts (Bradley Hall)		02/21/2007		
Construction Start (Bradley Hall)		06/15/2007		
Completion (Bradley Hall)		09/08/2006	09/15/2007	

Project Team:

Project Manager: Nikolina Sevis (sevis.2@osu.edu)

Project Coordinator: Leeanne Chandler (chandler.63@osu.edu)

CAPITAL CITY ELECTRIC - Electric Construction

CENTRAL INSULATION - Asbestos Abatement

COLUMBUS ABATEMENT CO., INC. - Asbestos Abatement

FOX MECHANICAL - Plumbing Construction

GREATER COLUMBUS CONSTRUCTION INC - General Construction

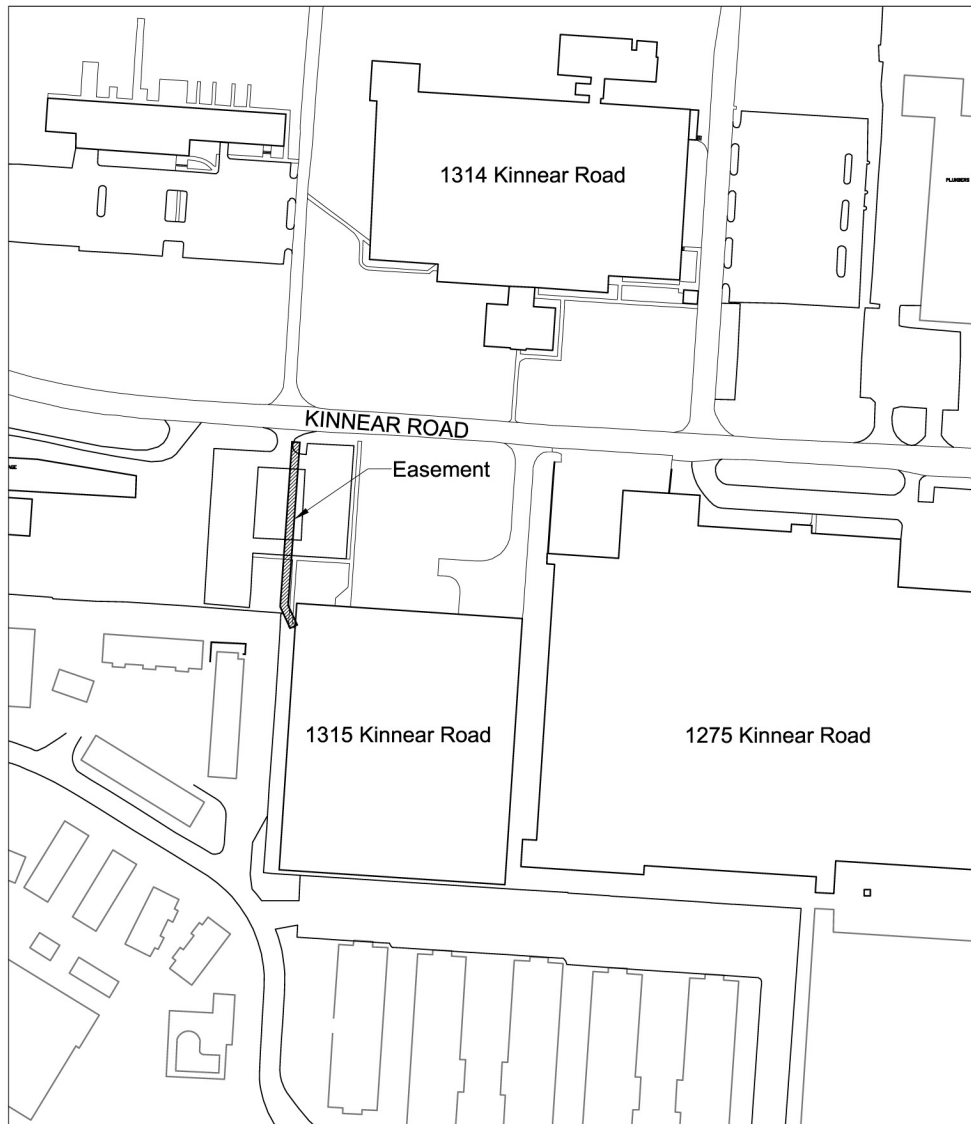
JA GUY INC. - HVAC Construction

PINNACLE ENVIRONMENTAL CONSULTANT - Design

RENOUVEAU DESIGN, INC. - Design

Easement Renewal - Columbus Southern Power Company, Kinnear Rd.

Utility line easement 10' wide by 240' long south of Kinnear Rd. to the 1315 Kinnear Road building



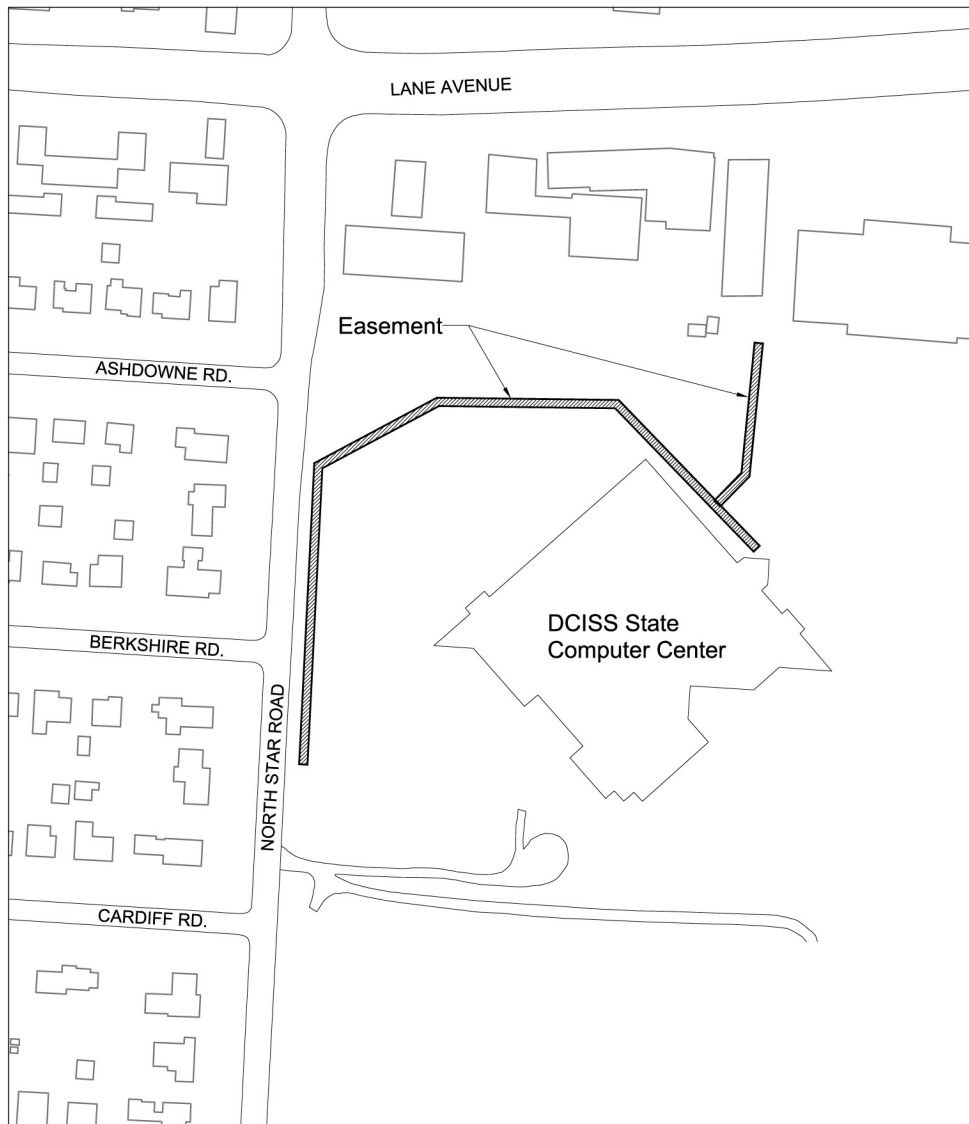
Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



Easement Renewal - Columbus Southern Power Company, Northstar Rd.

Utility line easements 10' wide to the OSU, DCISS State Computer Center



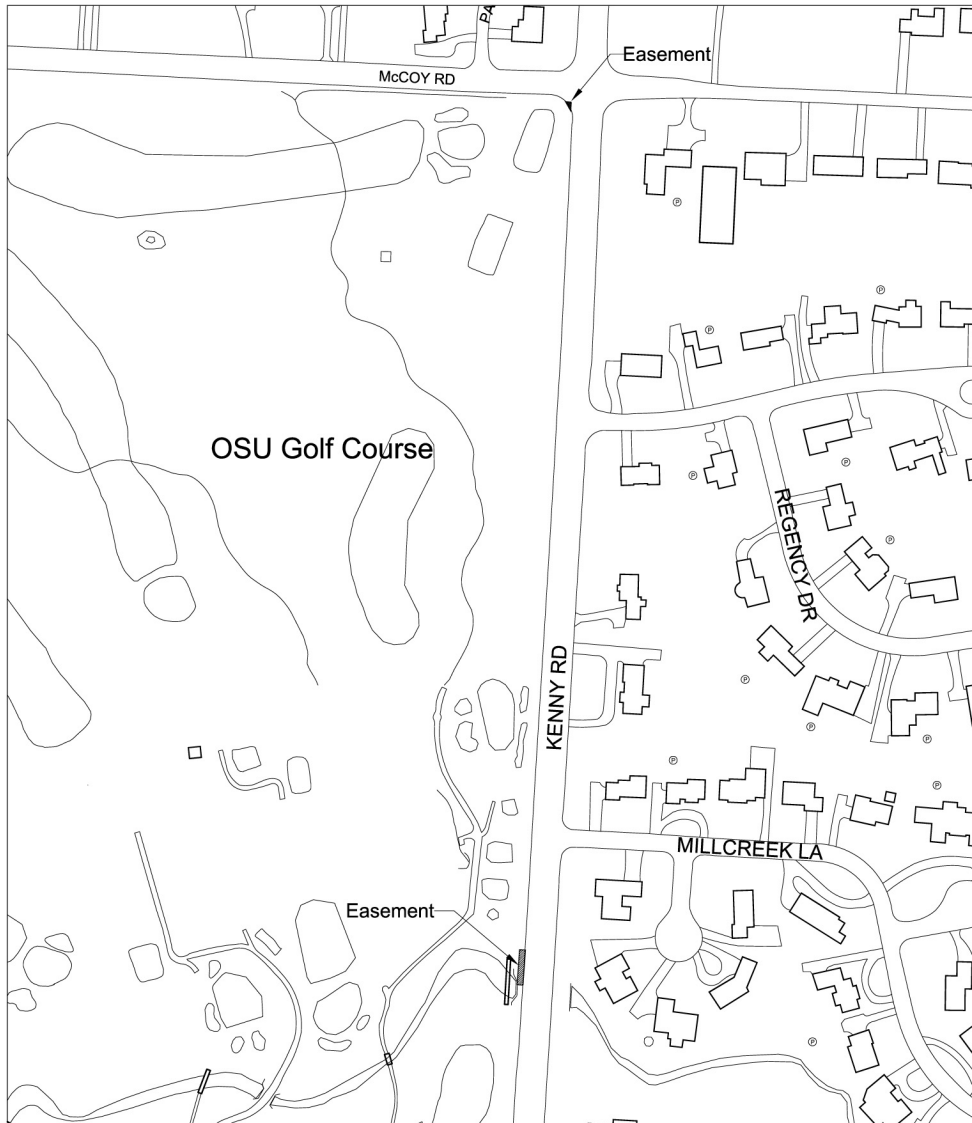
Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



Easement Renewal - The City of Upper Arlington, OSU Golf Course

Easements at the intersection of Kenny Rd. and McCoy Rd. and Kenny Rd. south of Millcreek Ln.



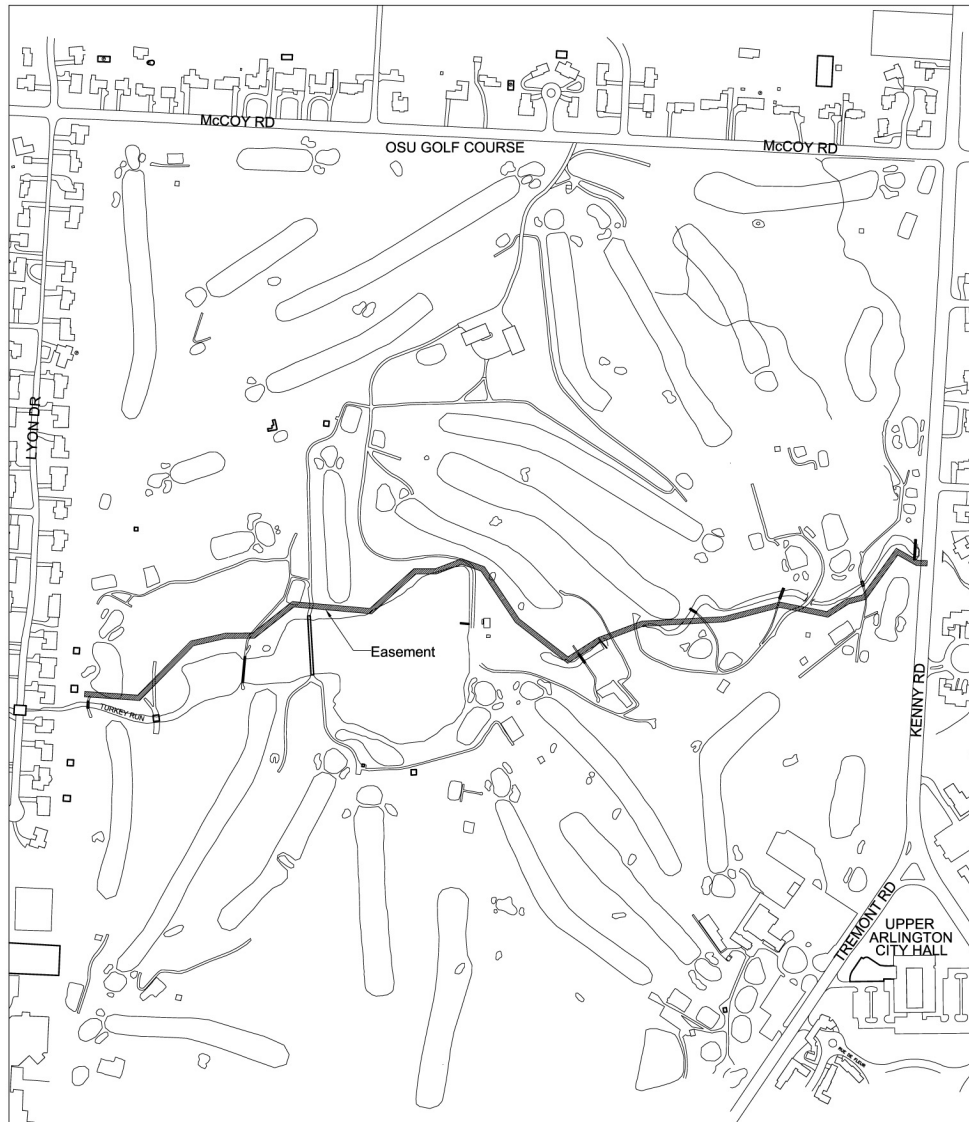
Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



Easement Renewal - The City of Upper Arlington, OSU Golf course

Utility line easement 20' wide across OSU Golf Course



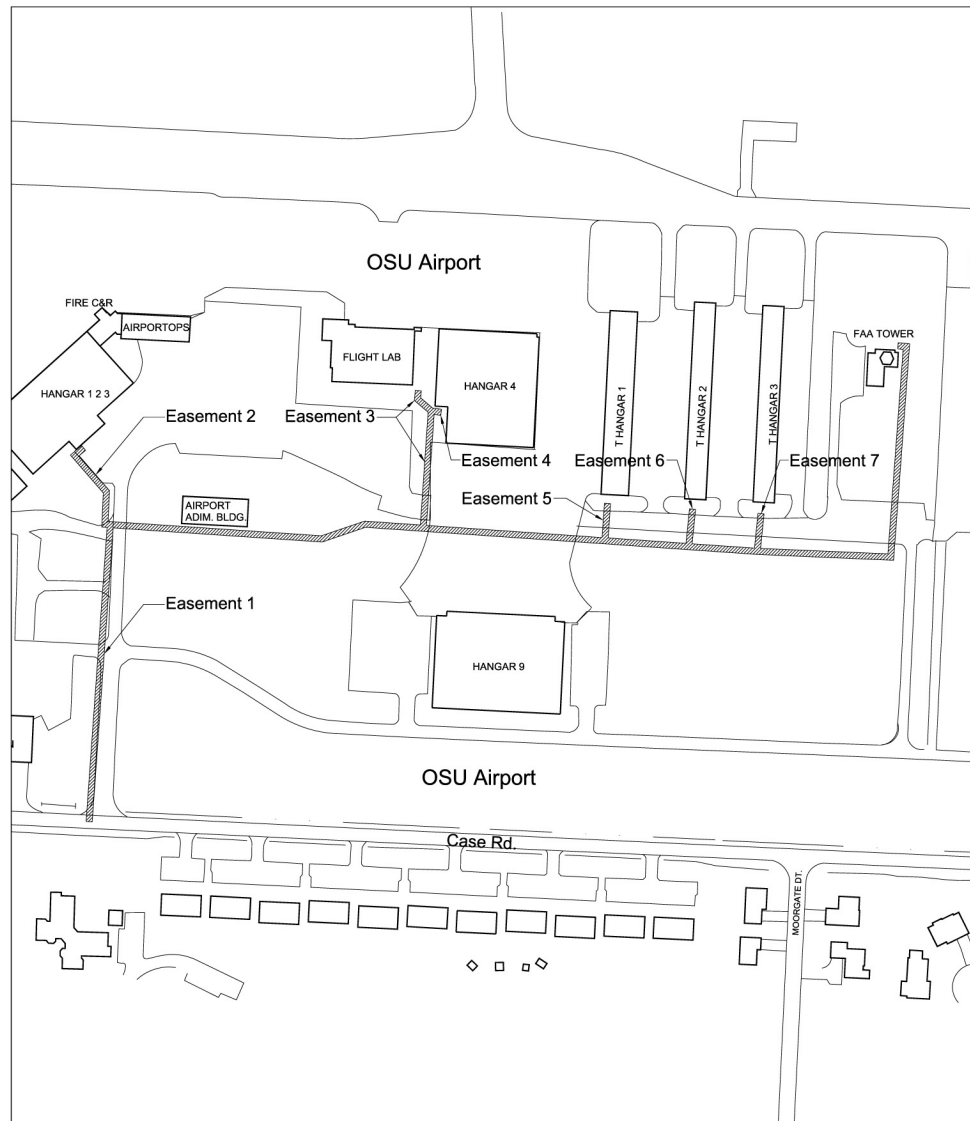
Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



Easement Renewal - Ohio Bell Telephone Company, OSU Airport

Telephone line easement 10' wide by 2,735'.



Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



The Ohio State University Board of Trustees
Fiscal Affairs Committee

November 3, 2006

Topic:

**MANAGEMENT OF FACILITIES IMPROVEMENT PROJECTS AND
REAL ESTATE TRANSACTIONS**

Context:

The management of capital projects has been identified as one of six core processes to be reviewed.

The attached resolution and accompanying materials are intended to update and document existing policies regarding oversight authority relating to capital projects. It is important to point out three changes that have been incorporated into the proposed policy. They are:

1. Projects of less than \$1 million would require one-time Board approval which would cover both design and construction. Currently these projects are brought to the Board as two separate approvals; once for design and once again for construction.
2. Guidelines for planning studies, leases, and real estate transactions are now included under the attached policy
3. Board approval would no longer be required for the replacements and/or renewals of existing previously approved easements.

The proposed changes will allow us to streamline processes and focus our energy and the Board's time on those issues of the greatest financial and strategic impact to the University.

Recommendation:

Adopt attached policy guidelines regarding the Board and the University review and approvals required for capital projects, planning studies, and real estate transactions.

Considerations:

In 2005, approximately 708 were projects in some phase of development within Facilities Operations and Development. Of these projects, 579 had a project budget of less than \$1 million.

These 579 projects were primarily repairs to building systems, roof replacements, minor classroom/lab renovations or other miscellaneous repairs or space upgrades.

Repair and renovation projects are often time sensitive, dependent on either the academic calendar or seasonal conditions. A four week delay to a project can result in a ¼% increase to the project costs.

Requested of the Fiscal Affairs Committee:

Approval of attached resolution

**POLICY FOR BOARD OF TRUSTEES' REVIEW AND APPROVAL
OF FACILITIES IMPROVEMENT PROJECTS, PLANNING STUDIES,
AND REAL ESTATE TRANSACTIONS**

Facilities Improvement Projects

For the purposes of this document, Facilities Improvement Projects are defined as any initiatives undertaken on behalf of the University that improve the physical environment in support of the academic mission. Projects covered under this policy would include, but may not be limited to activities that involve land acquisition, construction, reconstruction, renovation, demolition, landscaping, roads and grounds improvements/maintenance, building and systems repairs/replacements, client-specified projects, major emergency responses and any capital improvement project. This policy excludes items which would appropriately be directed through the procurement process and subject to the University's procurement policies and guidelines.

1. Any facilities improvement project estimated to cost at least \$200,000 but less than \$1 million shall require specific project authorization by the Board of Trustees. This approval constitutes complete authorization for the project, including site selection, design, construction, and any other services needed, except as specifically noted in the authorizing resolution.
2. For any project estimated to cost \$1 million or more, there shall be specific project authorization by the Board that may include site determination, design work, and construction management services, except as specifically noted in the authorizing resolution. For these projects, separate Board authorization shall be required for construction unless specifically included in the project approval resolution. Such Board approval also shall be required for any project originally estimated at under \$200,000 that subsequently increases to over \$200,000.
3. Once a project of \$200,000 or more has been approved by the Board, the University shall not increase the project costs (including costs for design, construction, construction management, or other services) presented to the Board at the time of authorization without specific Board approval except as follows:
 - a. For projects under \$1 million, with the prior written approval of the Senior Vice President for Business and Finance, the University may increase individual project contracts or the total project budget so long as the increased project budget does not exceed \$1 million, and funding for the increase is provided by the requesting department or other source and an appropriate report is made to the Board regarding the increase.
 - b. For projects of \$1 million or more, with the prior written approval of the Senior Vice President for Business and Finance, the University may increase individual project contracts or the total project budget cumulatively by no more than 10% or \$1 million, whichever is less, so long as funding for the increase is provided by the requesting department or other source and an appropriate report is made to the Board regarding the increase.

4. The University shall report annually to the Board, at the February meeting, on all projects estimated to cost \$200,000 or more that were completed during the previous year. The report will include determination as to whether the project was on time and on budget.
5. The University shall report quarterly to the Board on the status of each major facilities improvement project of \$20 million or more and on any other facilities project as required by the Board. The report will include determination as to whether the project is on time and on budget.

Planning Studies and Project Siting

6. Any planning study (including any feasibility, technical, siting, or other planning study) estimated to cost \$150,000 or more shall require Board of Trustees authorization (either separately or as part of the facilities project recommendations). Any planning study originally estimated at less than \$150,000 that goes over that amount shall be submitted to the Board for authorization.
7. Any proposed changes to the approved University Master Plan, Regional Plans, District Plans, and Sub-District Plans shall be subject to review and approval by the President's Cabinet and Board of Trustees.
8. Requests for use of a site for any facilities project or any change in activity or program shall be subject to review and approval by the President's Cabinet and Board of Trustees if not in compliance with the approved University Master and District Plans, as determined by the Department of Facilities Operations and Development.

Real Estate Transactions

9. Any easement, other than an easement for street, roadway or highway purposes, to be granted to another party for use of University property for a term of not more than 25 years shall be subject to review and approval by the Board of Trustees.
10. Approval of replacements (renewal) easements for existing agreements that benefit the University and that were previously approved by the Board of Trustees as outlined in item #11, may be granted for a like term by the University through the written approval of the Senior Vice President for Business and Finance.
11. Any sale or purchase of real property, or acceptance of the gift of real property, shall be subject to the review and approval of the Board of Trustees.
12. The lease of real property by the University for any total term of ten years or more or with a total lease value greater than \$1 million shall be subject to review and approval by the Board of Trustees.

Interpretation and Intent

13. This policy is intended to provide flexibility for the University to undertake projects in an expeditious manner, while preserving the authority and ability of the Board of Trustees to review and approve major projects as the Board determines. This policy is not intended to limit Board review of any project or action as the Board determines appropriate. In interpreting this policy, the University shall provide for Board review in any case in which the provisions of this policy are unclear or subject to varying interpretation.

The Ohio State University Board of Trustees
Fiscal Affairs Committee

November 3, 2006

TOPIC:

**FY 2007 – FY 2012 ANNUAL CAPITAL REVIEW AND FY 2009
BOND ISSUE GUIDELINES**

CONTEXT:

At the September 22, 2006 Board meeting, the Annual Review of the FY 2007 – FY 2012 Capital Plan was presented to the Board for a first reading (attached). Based on the outcome of that review, it is being proposed the preliminary ceiling for the University's FY 2009 bond issuance be set at \$500 million.

HIGHLIGHTS:

- Summary of updated FY 2007 – FY 2012 capital projects (attached)
- To date, requests for FY 2009 bonds has exceeded \$500 million
- Approximately \$260 million in FY 2009 bonds has been allocated to Support the Medical Center Master Facility Plan

CONSIDERATIONS:

- Are the updated recommendations outlined in the attached FY 2007 – FY 2012 Capital Plan appropriate?
- Are the update recommendations consistent with the Academic Plan?
- Have all the debt commitments been identified and is the \$500 million targeted FY 2009 bond ceiling appropriate?
- What impact would increasing the bond ceiling have on the University's credit rating?
- Have the key emerging issues been identified?

REQUESTED OF THE FISCAL AFFAIRS COMMITTEE:

Acceptance of the FY 2007 – FY 2012 Capital Plan Annual Review and approval of attached resolution regarding FY 2009 bond issuance.



108 Bricker Hall
190 North Oval Mall
Columbus, OH 43210-1362

Phone (614) 292-7970
Fax (614) 292-2820

Subject: FY 2007 – FY 2012 Capital Plan

Date: September 22, 2006

From: Barbara Snyder *Barbara*
William Shkurti *Bill*

To: Karen Holbrook

When the OSU Board of Trustees approved our FY 2007 – FY 2012 Capital Recommendations last Fall, we agreed to review and update them annually. The purpose of this memo is to summarize that review.

Our September 12, 2005 capital recommendations memo included the funding criteria for all projects (academic priority, physical need, financial feasibility, physical feasibility and other considerations). Our memo then laid out our priority recommendations for state capital funds and projects involving other funds (including University debt and affiliated entities). The final section addressed implications, including:

- Impact on the Academic Plan
- Impact on Deferred Maintenance
- Impact on Future State Funded Capital Requests
- Impact on Debt Capacity
- Impact on Students, Faculty and Staff
- Impact on Operating Costs
- Impact on Transportation and Parking
- Physical Feasibility
- Energy Conservation

For purposes of this review, we will focus on the following:

- The four projects identified as highest priority for state funds
- The three projects identified as highest priority for other funds
- Other projects meriting consideration
- Impact on deferred maintenance
- Impact on debt capacity
- Emerging issues

Recommendations for State Funds

The September 2005 recommendations included four projects for which state funds were requested for the FY 2007 – FY 2008 biennium. At that time we were working with a control number of \$58.5M. Subsequently, the Ohio Board of Regents (OBR) increased our planning control total to \$61.8M. The additional funding was requested for the Thompson Library Renovation project. The four projects from the September recommendation are:

Project	Amount BoT Approved in FY 2007-FY 2008 Capital Plan	Amount Requested of OBR for FY 2007-FY 2008	Total Project Cost
Thompson Library Renovation	\$47.5M	\$50.8M	\$102.8M
Brown Hall Renovation	3.5M	3.5M	50.0M
Hughes Hall Renovation	1.5M	1.5M	29.0M
Murray, Graves and Meiling Hall Renovations, Phase I	6.0M	6.0M	TBD
	\$58.5M	\$61.8M	

The state capital budget for FY 2007 – FY 2008 has not yet been approved. However, now that the TEL Initiative appears to be off the ballot, we do expect the capital bill to be approved in the legislative session after the November election. This will allow us to proceed with the Library renovation as planned, as well as the other high priority projects.

As part of the state's capital planning process, the Ohio Board of Regents asked us to tell them how we would allocate an additional \$27.5 million for deferred maintenance projects if the 2007-2008 capital bill includes the additional OBR-requested funding for these type projects. Our response to OBR was:

Project	Additional Amounts Requested for FY 2007-FY 2008
Thompson Library Renovation	\$8.70M
Lord Hall Demolition	.65M
Murray Hall Renovation	2.75M
Cunz Hall Interior Renovation	4.60M
Cunz Hall Exterior Upgrades and Elevator Replacement	3.60M
Brown Hall Renovation	7.20M
	\$27.50M

Recommendations Regarding Other Funds

Our September 2005 memo identified three high priority projects as significant commitments using non-state funds. These are

- Cancer Program Expansion Project
- Ohio Union Replacement
- Student Academic Services Building

The **Cancer Program Expansion** has been incorporated into the **Medical Center Master Facilities Plan**, which was approved by the OSU Board of Trustees on November 4, 2005. Projects already approved as part of Phase I of that plan include:

- Ross Heart Hospital – Two Floor Addition
- North Doan Hall – Non-Clinical Addition
- MRI Relocation
- Recreation Area Surface Parking
- Faculty Office Building
- West of Cannon Drive Parking Garage
- West of Cannon Drive Chiller Plant
- 9th Avenue Parking Garage Expansion

The following projects are expected to come forward for approval over the next 12 months:

- Renovation of Rhodes/Doan/James/Cramblett
- Means Hall Demolition
- Various Enabling Projects (infrastructure relocation)
- New Hospital (tower and diagnostic core)

The amount and sources of additional funding required to support infrastructure needs related to increased capacity and demand as a result of implementation of the Medical Center Facilities Master Plan are currently being identified.

As part of the planning process, the Medical Center will incorporate into the implementation time line a series of decision points or ‘circuit breakers’ to allow the project team to analyze progress and review financial status in order to assess future risks before proceeding to the next level of commitment. Each decision point will provide opportunity to minimize risks while maximizing benefits

In addition, a possible particle therapy facility for treatment of cancer has been proposed as a partnership with Med Center Partners. This is still under review.

The Arthur G. James Cancer Hospital and the Richard J. Solove Research Institute desire to lease a building containing approximately 102,000 square feet at a location off campus. This new facility would replace and expand the Comprehensive Breast Health Center located at State Route 161 and Sawmill Road and will offer the following services: chemotherapy, radiation oncology, imaging, physician exam rooms and Hope’s Boutique. This proposal is also under review at this time.

The **Ohio Union** was approved to move forward to construction at the Board of Trustees meeting on July 7, 2006.

The **Student Academic Services** building is still in the design stage and is expected to come to the Board for construction approval in Autumn 2007. Construction is projected to begin Spring 2008.

Other Projects Meriting Consideration

- Metro Schools

Though not mentioned in the September 2005 recommendations, Metro High School opened on time for the 101 member student body on August 28, 2006. This important joint collaboration between the University, Battelle and the Educational Council creates a new public high school that will serve as a hub of innovation for teaching, learning and research opportunities with an emphasis on science, math and technology. Phase 1 of the renovation to the facility was completed on schedule. Phase 2 of the facility renovation is scheduled to begin shortly.

- Legal Affairs Move to South Campus Gateway

Also not mentioned in the September 2005 recommendations is a project currently underway that will relocate the Office of Legal Affairs from various locations across campus to approximately 10,000 square feet of office space currently leased by the University in the South Campus Gateway complex. The project budget to fit out the space is anticipated to be \$1.1M. The project will be funded Centrally from funds already set aside for this purpose.

- Koffalt Lab Expansion/Renovation

A feasibility study is underway to evaluate current and future programmatic needs for the Department of Chemical and Biomolecular Engineering's Koffalt Laboratories and the ability of the existing facilities to fulfill long range goals and objectives. This study will also provide recommendations for a range of sites and alternatives for the development of new and/or renovated facilities. The final site selection, as well as the allocation of resources will be recommended in the 2009-2010 Capital Plan Process. Fund raising strategies are currently being explored, which include both State of Ohio and private donor sources.

- MBA Housing

The University entered into a land lease with a private developer for 4.5 acres of University land at the southeast corner of Lane Avenue and Kenny Road. Through this ground lease, the developer will construct, finance, and operate a 120 unit residential development which is expected to attract local area students. The developer submitted a proposal for construction of this project in response to an RFP issued by OSU. During the term of the lease, the developer will be solely responsible for ownership, operation, leasing, management and maintenance of the facility. No University funds are involved in this project. MBA students will be the developer's targeted market. The project complements the University Master Plan and is anticipated to be completed by August, 2007.

- Electro Science

The project would add an approximately 44,000 GSF addition to the ElectroScience Lab at 1320 Kinnear Road. The building would be occupied by College of Engineering researchers and private industry partners. This project is proposed as a collaborative effort between the ESL and their research partners, corporate sponsors, and spin-off companies. Estimated total project cost is \$6.2M with funding for construction divided between fund raising by

OSU College of Engineering (estimated at \$1.2M), and SciTech (\$5.0M). Once funding is secured, construction is tentatively scheduled to begin in 2008 and will take approximately 18 months to complete.

- Possible Airport Improvements

Approval of the University Airport Master Plan document has been placed on hold pending resolution of community issues. The University Airport is currently engaged in the following airport projects: roof replacement on three existing hangers, runway repaving; initiation of a Part 150 Noise Study, and installation of a new security fence along the perimeter.

- Joint Neighborhood Policing Center

The design phase of the City of Columbus/Ohio State University joint Neighborhood Policing Center continues to move forward. The planning team is working with various surrounding community groups and leaders to create a facility that will serve the University and our surrounding communities. The project is scheduled to break ground December 2006. The University has committed \$1.9M towards this project. Total project costs are currently estimated to be \$3.8M.

- Lazarus

The College of the Arts is in the process of submitting a space request for a 10 year lease of approximately 10,200 square feet in the historic downtown Lazarus building. The space will be used for exhibition, non-traditional performance and installation, as well as incubator space for arts entrepreneurship training. The City of Columbus is funding the renovation of the space.

- 1165 Kinnear Road (Columbus Wood Products)

The University entered into a long term lease of the 96,000 sq. ft. property effective February 2006. The University will use approximately 21,000 sq. ft. for University Surplus and Real Estate and Property Management is currently marketing another 57,000 sq. ft. to a local light manufacturing company. This will leave 17,000 sq. ft. of space that could be utilized by an OSU or Sci-Tech entity.

- Affiliated Entities

- SciTech

- see above for Electrical Engineering Research Lab

- 1275 Kinnear Road Complex – The project would build out a 135,000 GSF multi-tenant office, research facility, and parking for housing private small to medium size companies. The building shell at 1255/1275 Kinnear Road is completed and ready for build out. Future construction involves the build out of approximately 31,000 SF of shell space at 1255 Kinnear, and the reconfiguration and build out of

approximately 50,000 SF of warehouse and 6,200 SF of office at 1275 Kinnear, along with related parking improvements. Estimated total project cost is \$7.7M with funding provided by SciTech. Anticipated starting date for the project is January 2010 and the completion date is projected to be June 2011.

- Southwest Quadrant OSU Research Park Phase 1 – The project would build a 50,000 GSF multi-tenant office and research facility for housing private small to medium size companies. The building is planned as future speculative construction. Estimated total project cost at midpoint of construction in 2010 is \$5.9M, as provided by SciTech through bank financing. Estimated date of completion is June 2010.
- Campus Partners
 - Columbus Coated Fabrics – the option on this property expires in mid October and discussions continue regarding any future plans for this site.
 - Priorities continue to focus on the 15th and High and the residential redevelopment initiatives.
 - Long's bookstore will be used as swing space for the University's Library and Ohio Union projects.

Impact on Deferred Maintenance

A primary goal of the FY 2007 – FY 2012 Capital Plan is to address unmet deferred maintenance needs. The Ohio Union project alone will address approximately \$45M or almost 8% of the existing need. Other projects which will significantly reduce the current backlog include the demolition of Means Hall for the clinical expansion (\$26M), the Brown Hall renovation/replacement (\$14M), the Hughes Hall renovation (\$12M) and the Lord Hall demolition (\$12M). The total potential reduction in deferred maintenance for all projects listed in the 2007-2012 capital plan is \$130.2M, as shown on the chart below:

BLDG NAME	Potential reduction in Deferred Maintenance in 2005 dollars
LIBRARY	876,270
UNION	44,731,000
MEANS	25,747,000
BROWN HALL	14,307,000
HUGHES HALL	12,251,000
GRAVES HALL	727,200
MEILING HALL	1,666,779
KOFFOLT LABORATORIES	4,874,871
CUNZ HALL	1,411,975
LORD HALL	11,948,000
DOAN HALL ¹	3,684,280
RHODES ¹	9,705,372
TOTAL	\$131,930,747

¹ The level of renovation for Doan and Rhodes Halls will be determined as the design of the Medical Center Master Plan evolves. The figures in this chart assume a total building renovation for a less intense use.

Based on the continued aging of facilities, the total Deferred Maintenance backlog for the University will grow from a current total of almost \$600M to a total of \$1.24B in 2012. This represents an increase of \$611M.

A Master Plan for the University's infrastructure condition and future needs has been completed. The plan identified \$100M of deferred maintenance in aged infrastructure and a projected 2007-2012 need of \$200M. Deferred maintenance and renewal for infrastructure will be tracked separately from deferred maintenance for buildings. A funding source for the infrastructure requirements will be critical to ensuring the ongoing integrity and operation of OSU facilities.

A more detailed analysis of the infrastructure master plan findings, timing, and implications will be presented at the November Board meeting.

Impact on Debt Capacity

In order to preserve debt capacity for the highest priorities of the Academic Plan, the Board approved, in September 2005, our recommendation for a limit of no more than \$400M for the calendar year 2005 bond issue and \$450M for calendar year 2006.

We are pleased to report that the 2005 bond issue was only \$360M, allowing \$40M to be carried over as uncommitted capacity. We recommend this uncommitted capacity be used as follows:

- Ohio Union \$10M
- Student Academic Services Bldg. \$10M
- Medical Center \$10M
- Uncommitted Reserve \$10M

We now recommend a preliminary target of no more than \$500M be established for the calendar year 2009 bond issue, of which \$250M should be allocated to the Medical Center. More specific recommendations for this bond issue will be developed as part of the FY 2009 – FY 2014 capital plan, which will be presented to the Board of Trustees next summer.

Emerging Issues

- Infrastructure

The Infrastructure Master Plan has been completed and the following infrastructure was evaluated:

- Storm and sanitary sewers
- Domestic cold water
- Utility tunnels
- Chilled Water
- Steam and condensate return
- Heating hot water
- Natural gas
- Electric power
- Roadways

The plan identified immediate infrastructure deferred maintenance and renewal needs for 2007-2012 of over \$100M. An additional \$35M has been identified for infrastructure needs related to increased capacity needs due to University growth/demand, and \$65M+ for infrastructure needs related to the Medical Center Facilities Master Plan. Total need through 2012 is estimated at \$200M.

- 315 Corridor

The City of Columbus is presently engaged in development of a Research and Technology Master Plan in partnership with a number of institutions including Ohio State. The plan provides recommendations for two “nodes” that impact the Ohio State campus, Lane Avenue/Kenny Road and Kinnear Road.

- Operating Costs for Research Facilities

Operating costs for new research facilities (e.g., Biomedical Research Tower), as well as other specialized facilities (e.g., Larkins, Ohio Union) can be significantly higher than other buildings on campus. The University is evaluating options for covering these costs. One option currently being evaluated is a tiered POM structure based on building type. This is at a conceptual stage and will be presented to the Senate Fiscal Committee this Fall for review and consideration.

- Future State Support

- The University anticipates future biennial state capital funding to remain at current levels or possibly reduced slightly (approximately \$60M for the Columbus Campus and \$10M for the Regional Campuses, including ATI and OARDC for major capital projects; and \$17M for the Columbus Campus and \$3M for the Regional Campuses, including ATI and OARDC, for basic renovation projects).
- Recognizing the growing problem of block obsolescence and the trend of reduced or flat state capital funding, the Ohio Board of Regents has requested development of a statewide capital master plan for all public colleges and universities. The goal of the master plan is to address existing and future capital needs on Ohio’s public campuses. The Regents approved a supplemental capital request of \$10M to support development of this plan. The request is pending Office of Budget and Management and Legislative approval.
- In conjunction with the \$10M request, the Board has requested an additional \$140M in supplemental capital funds to address deferred maintenance at public colleges and universities. If these supplemental funds are approved, they will become available with the passage of the 2007-2008 Capital Bill, anticipated in late 2007.

- North Academic Core Urban Design/Siting Study

This study was undertaken to consider the capital plan priorities over the next three biennia in the context of optimizing the learning and research environments of the

colleges and programs in the North Academic Core. This is an area bounded by 17th Avenue to the South, High Street to the East, Woodruff to the North, and Tuttle Park to the West. Colleges have varied fund-raising capabilities. Achieving the capital plan priorities for an area such as the North Academic Core might ultimately be limited by the fund-raising capabilities of a college. This plan was undertaken to envision a long-term plan for the entire North Academic Core so that the fund-raising capabilities of the affected colleges might be leveraged to benefit all of the colleges over time but in a sequence that is aligned with our capital plan priorities. Should such a plan be adopted, the alumni and stakeholders of all of the colleges in the North Academic Core would be contributors to an institution-level capital plan. After consultation with the Secretary of the Board of Trustees and the Council of Deans, a method of introducing this concept to this Board of Trustees, to the Board of the Development Foundation, and to the Board of the Alumni Foundation will be developed so this approach might be considered for adoption as a strategy for the next university campaign.

Conclusions

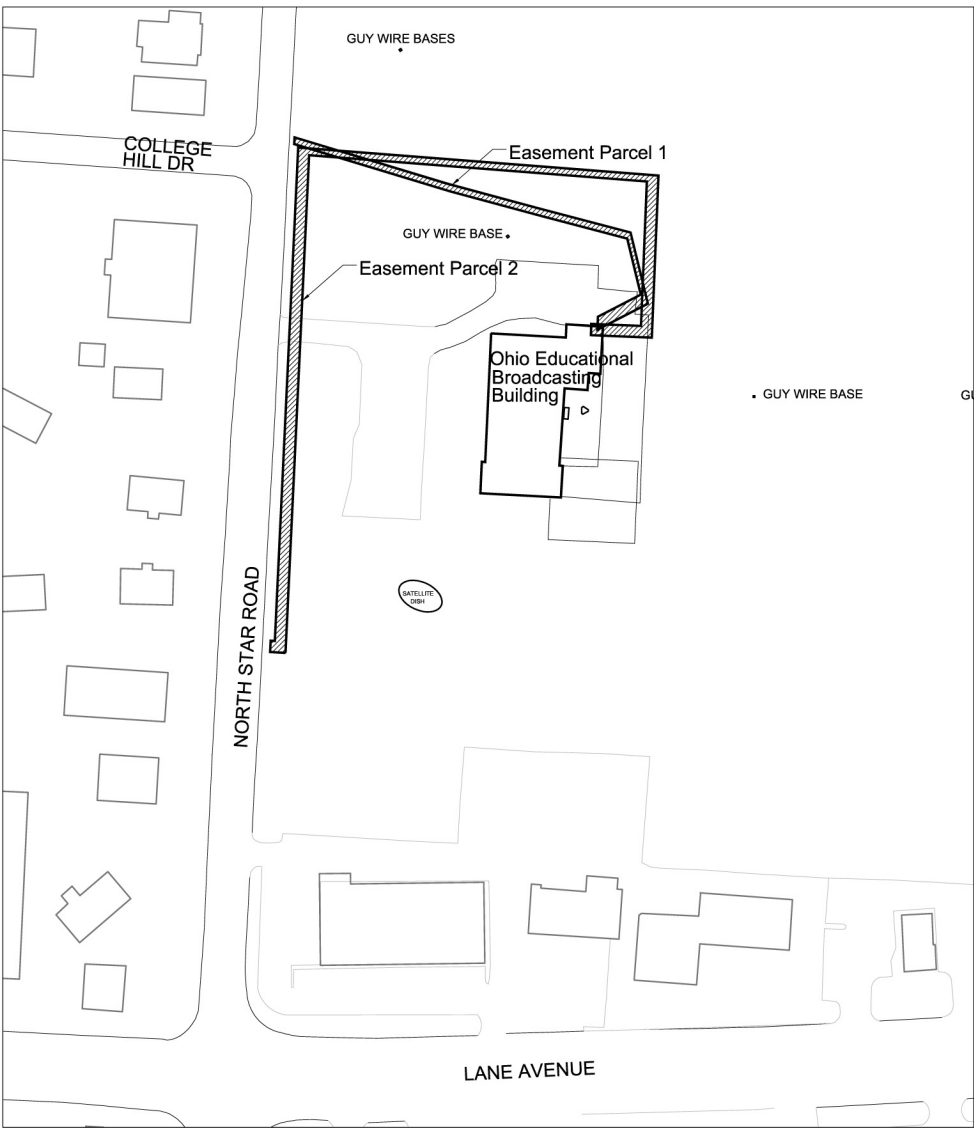
We feel we have made good progress in moving towards the capital goals established last September. The only action that requires Board approval at this point is to set the preliminary ceiling for the 2009 bond issue at \$500M.

We will provide an additional update on the State Capital Appropriation when it is approved and our preliminary recommendations for the FY 2009 – FY 2014 Capital Plan in July 2007.

If you would like any additional information, please let us know.

c: Melissa Bellini
 Kathy Dillow
 Mike Sherman

Easement for Time Warner Telecom, North Star RD., Columbus, Ohio

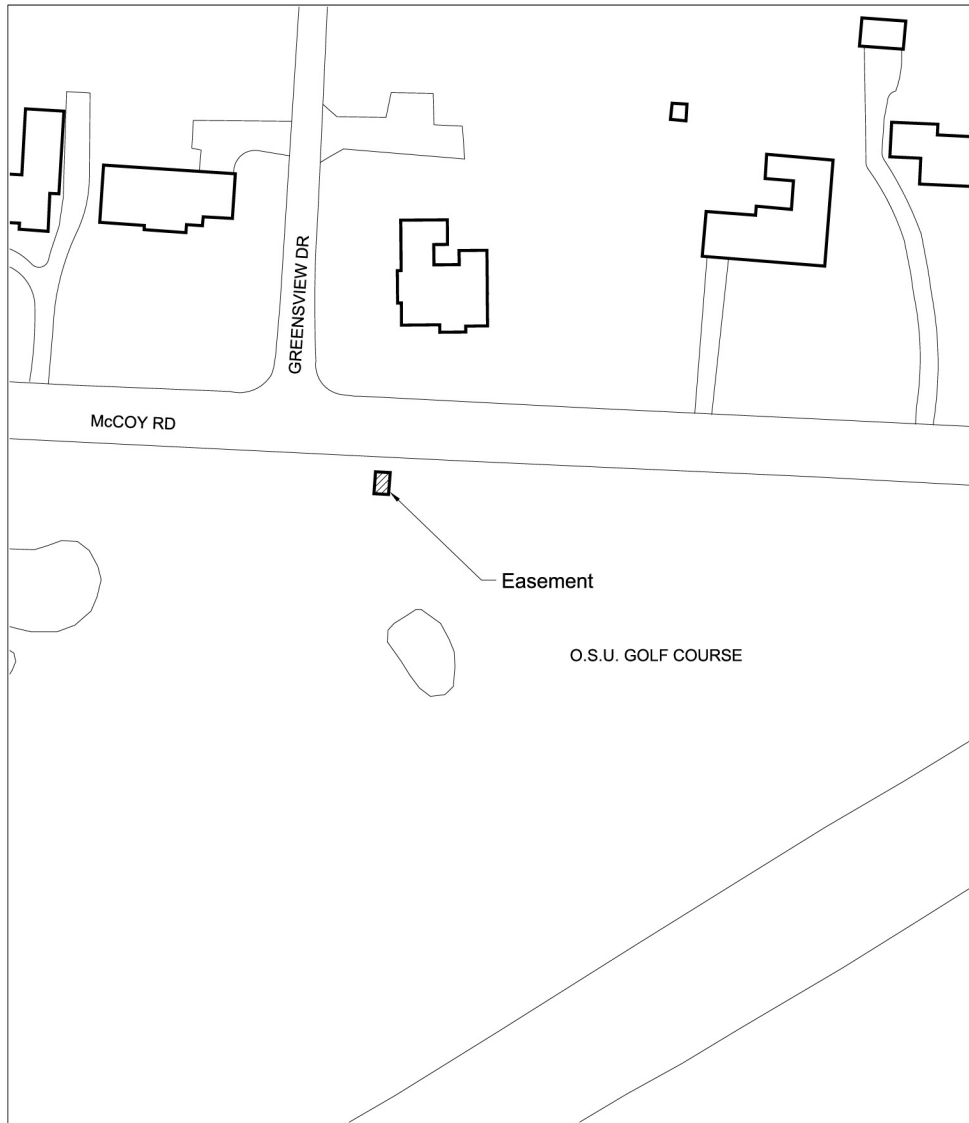


Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



Easement for AT&T Ohio, McCoy Rd., Upper Arlington, Ohio

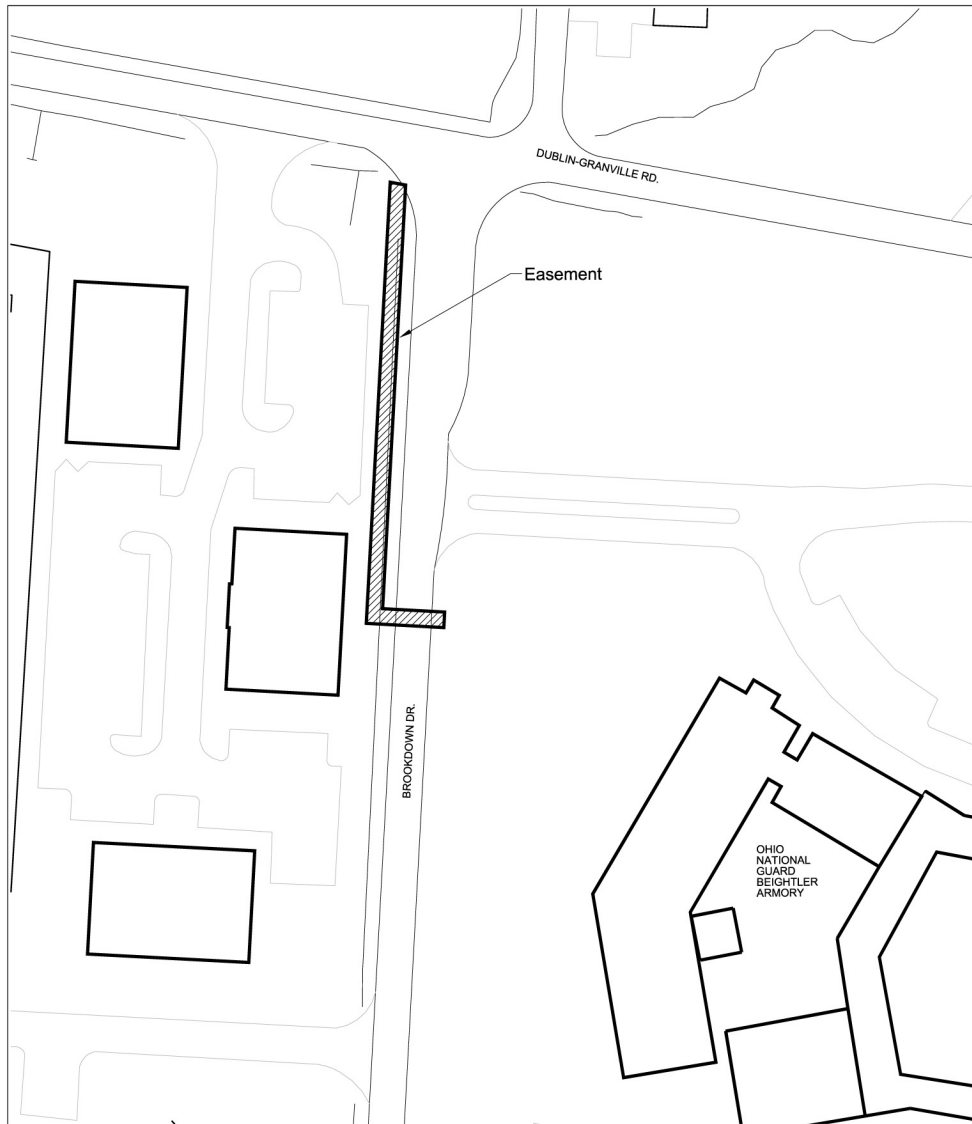


Office of Business and Finance / Board of Trustees Meeting

November 3, 2006



Easement for Time Warner Communications, Brookdown Dr., Columbus, Ohio



Office of Business and Finance / Board of Trustees Meeting

November 3, 2006

